

FINANCIAL STATEMENTS
on the date and for the six months period ended
June 30, 2024

according to the Ministry of Finance Order no. 2844/2016 and
the International Accounting Standard no. 34 - „Interim Financial Reporting”

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INTERIM STATEMENT OF THE FINANCIAL STANDING ON JUNE 30th, 2024

- RON-			
Name	Note:	June 30 2024	December 31 st , 2023
ASSETS			
Intangible assets			
Tangible assets	4	666,169,305	670,831,075
Intangible assets	5	4,288,849	5,559,573
Financial Assets	6	536,399	2,522,803
Deferred corporate tax receivables	13	1,248,864	-
Total non-current assets		672,243,417	678,913,451
Current assets			
Inventories	7	6,807,921	6,519,564
Trade receivables and other receivables	8	54,305,331	52,981,332
Cash and cash equivalents	9	100,986,813	107,742,173
Prepaid expenses		1,586,869	697,600
Total current assets		163,686,934	167,940,669
TOTAL ASSETS		835,930,351	846,854,120
EQUITY AND LIABILITIES			
Equities			
Subscribed and paid-up share capital	10	28,569,842	28,569,842
Legal reserves	10	5,713,968	5,713,968
Revaluation reserves	10	46,369,733	49,838,300
Other reserves	10	551,381,817	547,585,477
Retained earnings	10	43,302,378	36,970,805
Result of the year	10	25,691,384	61,616,539
Total equities		701,029,122	730,294,931
Long-term liabilities			
Long-term liabilities to employees	11	27,884,921	25,764,827
Other long-term liabilities	11	2,830,771	2,792,606
Deferred Tax Liability		-	901,503
Total long-term liabilities		30,715,692	29,458,936
Current liabilities			
Trade liabilities	11	38,389,899	33,091,805
Current Corporate Tax	13	2,009,804	1,807,695
Other liabilities	11	38,743,038	28,764,158
Liabilities to employees	11	14,537,404	14,143,449
Short-term provisions	12	10,505,392	9,293,146
Total current liabilities		104,185,537	87,100,253
Total liabilities		134,901,229	116,559,189
TOTAL EQUITIES AND LIABILITIES		835,930,351	846,854,120

These interim financial statements and the related notes, from page 1 to page 27, have been authorized for issue by the company's management on August 12th, 2024.

**Director General,
Dorin Tudora**

**Economic Director,
Econ. Sanda Toader**

The attached notes, from 1 to 20, are an integral part of these financial statements.

The company CONPET S.A.

Interim statement of profit or loss and other elements of the global result for the period of six months ended June 30th, 2024

**INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER ELEMENTS OF THE GLOBAL
RESULT FOR THE SIX MONTHS PERIOD ENDED**
June 30th, 2024

Name	Note:	June 30 2024	June 30 2023	- RON-
Revenues from contracts		266,930,394	241,197,601	
Other revenues		38,406,416	23,164,563	
Total Operating Expenses	15	305,336,810	264,362,164	
Expenditure on inventories		2,517,838	3,498,632	
Expenses with energy and water		10,321,330	8,345,231	
Personnel expenses		107,927,392	99,651,692	
Impairments on fixed assets, less adjustments related to rights of use resulted from leasing contracts		39,012,772	29,353,128	
Impairments for rights of use resulted from leasing contracts		1,058,625	1,024,939	
Value adjustments on current assets		7,812,062	(42,434)	
Expenses with external services		70,593,630	60,307,675	
Loss from disposal of assets		26,366	2,072	
Provisions-related impairments		3,470,852	(346,739)	
Other expenses		36,161,430	31,610,178	
Total Operating Expenses	16	278,902,297	233,404,374	
Operating Profit		26,434,513	30,957,790	
Financial Revenues		3,508,543	3,817,677	
Interest expenses related to leasing contracts		131,783	110,434	
Other financial expenses		57,584	29,625	
Financial Expenses		189,367	140,059	
Financial profit	17	3,319,176	3,677,618	
Profit before corporate tax		29,753,689	34,635,408	
Expenses with current corporate tax	13	6,212,672	5,136,185	
Expenses with (revenues coming from) deferred corporate tax	13	(2,150,367)	17,084	
PROFIT OF THE PERIOD		25,691,384	29,482,139	
Net increase of the modernization quota reserve		3,796,341	7,283,578	
<i>Total other global result elements that will not be subsequently reclassified as profit or loss</i>		<i>3,796,341</i>	<i>7,283,578</i>	
TOTAL OTHER ELEMENTS OF THE GLOBAL RESULT		3,796,341	7,283,578	
TOTAL GLOBAL RESULT		29,487,725	36,765,717	
Result per share		2.97	3.41	

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**Director General,
Eng. Dorin Tudora**

**Economic Director,
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INTERIM STATE OF THE CHANGES IN EQUITY ON MARCH 30st, 2024 (unaudited)

- RON-							
Name	Share capital	Legal reserves	Revaluation reserves	Other reserves	Retained earnings	Year's profit or loss	Total Equities
Balance on January 1, 2024	28,569,842	5,713,968	49,838,300	547,585,477	36,970,805	61,616,539	730,294,931
Net result of the year	-	-	-	-	-	25,691,384	25,691,384
Surplus from revaluation	-	-	(3,468,567)	-	3,468,567	-	-
Allocation of profit provided by the law - exemption of reinvested profit	-	-	-	-	3,725,402	(3,725,402)	-
Net increase of the modernization quota reserve	-	-	-	3,796,341	-	-	3,796,341
Total other global result elements	-	-	(3,468,567)	3,796,341	7,193,969	(3,725,402)	3,796,341
<i>Total global revenues related to the period</i>	-	-	(3,468,567)	3,796,341	7,193,969	21,965,982	29,487,725
Dividends due to shareholders	-	-	-	-	(862,397)	(57,891,137)	(58,753,534)
<i>Total transactions with the owners directly recognized in equities</i>	-	-	-	-	(862,397)	(57,891,137)	(58,753,534)
Balance on June 30, 2024	28,569,842	5,713,968	46,369,733	551,381,817	43,302,378	25,691,384	701,029,122

The company CONPET S.A.

INTERIM STATE OF THE CHANGES IN EQUITY ON JUNE 30, 2023 (unaudited)

Name	Share capital	Legal reserves	Revaluation reserves	Other reserves	Retained earnings	Year's profit or loss	- RON- Total Equities
Balance on January 1, 2023	28,569,842	5,713,968	17,101,648	533,897,764	37,149,214	61,663,616	684,096,052
Net result of the year	-	-	-	-	-	29,482,139	29,482,139
Surplus from revaluation	-	-	(445,959)	-	445,959	-	-
Allocation of profit provided by law - exemption of reinvested profit	-	-	-	-	3,152,695	(3,152,695)	-
Net increase of the modernization quota reserve	-	-	-	7,283,578	-	-	7,283,578
Total other global result elements	-	-	(445,959)	7,283,578	3,598,654	(3,152,695)	7,283,578
Total global revenues related to the period	-	-	(445,959)	7,283,578	3,598,654	26,329,444	36,765,717
Dividend distributed to the shareholders					(999,241)	(58,510,921)	(59,510,162)
Total transactions with the owners directly recognized in equities	-	-	-	-	(999,241)	(58,510,921)	(59,510,162)
Balance on June 30, 2023	28,569,842	5,713,968	16,655,689	541,181,342	39,748,627	29,482,139	661,351,607

Note: the position „Other reserves” also includes the reserve representing the modernization quota in amount of 500,463,481 RON on 30.06.2024, namely 496,667,140 RON on 01.01.2024. This reserve is constituted as per GD no.168/1998. The modernization quota is exclusively meant for funding the modernization and development of goods from public domain. The modernization quota is being collected at the extent of capitalization and proceeds of the production and is reflected in the reserves on account of the expenses. On a monthly basis, the reserve of modernization quota at the level of depreciation of fixed assets financed from this source is resumed in revenues. On 30.06.2024, the amount of 500,463,461 RON contains the modernization quota that is to be resumed to revenues at the level of the depreciation of fixed assets financed out of this source, in amount of 462,683,754 and reserve available destined to the modernization and development works related to the goods from public domain (cash in bank accounts), in amount of 37,779,727 RON.

These interim financial statements and the related notes, from page 1 to page 27, have been authorized for issue by the company's management on August 12, 2024.

**Director General,
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The attached notes, from 1 to 20, are an integral part of these financial statements.

INTERIM CASH-FLOW STATEMENT FOR THE SIX MONTHS PERIOD ENDED JUNE 30th, 2024

- RON-			
	Name of the Item	6 months, 2024 (unaudited)	6 months, 2023 (unaudited)
	Cash flows from operating activities:		
+	Proceeds from services supply	283,648,211	264,905,266
+	Proceeds from interests related to banking placements	3,470,307	4,034,022
+	Other proceeds	5,935,110	2,153,365
-	Payments to the suppliers of goods and services	74,494,361	65,621,045
-	Payments to and on behalf of the employees	107,572,462	100,398,242
-	VAT payments	33,805,120	24,965,293
-	Expenses with corporate tax and specific tax	6,728,663	6,106,848
-	Other payments regarding the operating activities	21,197,287	19,361,918
A	Net cash from operating activity	49,255,735	54,639,307
	Cash flows from investment activities:		
+	Proceeds from sale of tangible assets	11,087	-
+	Proceeds from modernization quota	32,689,678	29,672,073
-	Payments for purchase of tangible/intangible assets	30,909,785	70,170,093
B	Net cash from investing activity	1,790,980	(40,498,020)
	Cash-flows from financing activities		
-	Paid dividends	56,419,342	57,221,082
-	Payments on the lease debt account	1,268,901	1,608,066
-	Interest payments	113,832	111,584
C	Net cash from financing activities	(57,802,075)	(58,940,732)
	<i>Net increase of the cash and cash equivalents=A+B+C=D2-D1</i>	<i>(6,755,360)</i>	<i>(44,799,445)</i>
D1	Cash and cash equivalents at the beginning of the period	107,742,173	127,672,452
D2	Cash and cash equivalents at the end of the period	100,986,813	82,873,007

The cash and cash equivalents on 30.06.2024 are falling by 6.3% (6.8 m RON) compared to December 31st, 2023 (100,986,813 mRON, compared to 107,742,173 RON).

Of the total cash in balance on 30.06.2024, the party related to the modernization quota amounts to 37.779.727 RON.

The effects of the three activity areas (operation, investment and financing) over the cash in the 6 months period of 2024 reveal the following:

- the operating activity has triggered a positive cash-flow, in amount of 49,255,735 RON;
- the investments activity ended with a positive cash-flow in amount of 1,790,980 RON;
- the financing activity has lowered the total cash flow by 57,802,075 RON.

The value of the net cash flow from the operating activity is lower than that registered in the similar period of the previous year, by the amount of 5.38 m RON, due to the payments to the employees, suppliers and the state budget.

The net cash from the investment activity was positive in H I 2024 (1,8 mRON), compared to H I 2023, when it was registered a negative cash flow in the amount of 40,5 m RON, due to lower outputs for the investment activity.

The net cash from the financing activity records in both periods compared negative amounts determined mainly by the payment of dividends to shareholders.

The company CONPET S.A.

Interim cash-flows statement for the six months period ended June 30, 2023

These interim financial statements and the related notes, from page 1 to page 27, have been authorized for issue by the company's management on August 12th, 2024.

**Director General,
Eng. Dorin Tudora**

**Economic Director
Econ. Sanda Toader**

The attached notes, from 1 to 20, are an integral part of these financial statements.

1. Business Description and General Information

The company CONPET S.A. ("the Company") is a joint-stock company, with a unitary system administration, as per Law no. 31/1990 on the companies, republished, subsequent amendments, registered at the Prahova Trade Registry under no.J29/6/1991 and the Financial Supervisory Authority by the registration certificate no.7227/1997.

The registered office is in Ploiesti Municipality, str. no. 1-3, Anul 1848 Street, Prahova County.

CONPET S.A. is the concessionaire of the operating activity of the National Transport System of crude oil, rich gas, condensate and ethane, quality acquired in 2002, by conclusion with the National Agency for Mineral Resources (NAMR), the competent authority representing the State interests in the oil resources domain, of the Oil Concession Agreement, approved by GD no. 793/25.07.2002.

The shares of the company are traded on the Bucharest Stock Exchange (BVB) under the issuer symbol "COTE".

Currently, the shares of the company CONPET SA are included in 9 of a total of 11 indices of the Bucharest Stock Exchange, namely **BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG, BET Plus, BET-TRN and BET-XT-TRN**.

Starting March 21st, 2022 the company's shares have been part of FTSE Global Micro Cap indices dedicated to the emerging countries, and as from September 1st, 2023 it has been included in the indices MSCI Forntier IMI and MSCI Romania IMI (Investable Market Indices) by the global indices supplier MSCI.

On June 30, 2024, CONPET SA had a market capitalization of 746.2 mRON (150 mEURO), ranking 34 in the "Top Issuers according to capitalization".

Company's Set-up

CONPET is set up based on GD no.1213/20.11.1990 regarding the set-up of the joint stock commercial companies in the industry, pursuant to Law no.15/1990 regarding the reorganization of the public economic units as autonomous administrations and joint stock companies, by taking over all assets and liabilities of the former Crude Oil Pipeline Transport Enterprise (Rom.I.T.T.C.).

The shareholder structure and number of voting rights on 30.06.2024, are:

- a) The Romanian State by the Ministry of Energy, holding 5,083,372 shares with voting rights, representing 58.72% of the share capital,
- b) legal persons with 2,138,988 shares with voting rights representing 24.70% of the share capital, and
- c) natural persons, with 1,435,168 shares with voting rights representing 16.58% of the share capital.

Company's Mission

CONPET's mission is the operation of the National Transport System via Pipelines under safe and secure conditions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

Other Information on the Company's Business

As per the Articles of Incorporation, the company's core business is the transport of crude oil, rich gas, ethane and condensate via pipelines aiming at supplying the refineries with crude oil and derivatives out of domestic production, as well as with imported crude oil (NACE code 4950-“transports via pipelines”).

CONPET supplies transport services for its clients both via the National Transport System concession based on the Oil Concession Agreement of the National Transport System of Crude Oil, Rich Gas, Condensate and Ethane via pipelines, as well as by rail, from the loading ramps to the refineries, for the oil areas not connected to the major transport pipelines.

The crude oil National Transport System represents the ensemble of the major interconnected pipelines ensuring the collection of the oil extracted from the exploitation areas or of the imported, from the delivery sites to the processing units.

CONPET, as Concessionaire of the crude oil National Transport System entitles as common carrier and the obligation to provide, as per the legal provisions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

The crude oil National Transport System belongs to the Romanian State public domain and is being administered by NAMR (as per the Oil Law provisions). It comprises a pipeline system of approx.3,800 km and a transport throughput of 18.5 million tons/year.

The Legal Environment

The activities in the oil sector, where the crude oil transport activity is included, are regulated by the Oil Law no.238/2004.

The National Agency for Mineral Resources (NAMR) represents the interests of the State in oil resources domain and is the competent authority authorized to apply the dispositions of Law 238/2004. As per the Oil Law, the National Agency for Mineral Resources entitles as Concession Provider of the goods belonging to the public domain, concessioned to the operators acting in the oil industry.

The main responsibilities of NAMR are the following:

- negotiates and concludes, on behalf of the State, oil agreements;
- awards mining concession licenses and exploitation permits;
- issues regulatory acts, norms, instructions, orders and regulations;
- controls the compliance, by the holders of the concession agreements with the concession licenses and exploitation permits conditions;
- manages the Crude Oil and Natural Gas National Pipeline Transport Systems and regulates the exploitation activities thereof by system's concession agreements concluded;
- annuls the concession acts/administration acts;
- approves the tariffs and the frame-contract for the transport of crude oil, rich gas, condensate and ethane.

The tariff for the supply of the transport service via the National Transport System of crude oil, rich gas, condensate and ethane

The transport tariff stands for the exchange value of the transport service supplied by the holder of the oil concession, as common carrier for the transport, via the crude oil National Transport System, of an oil ton along the oil take-over sites from the domestic producers or import and the delivery sites to the refineries.

The company practices different transport tariffs for the two subsystems belonging to the National Transport System, namely the subsystem for the transport of the crude oil, rich gas, condensate and ethane from the domestic production and the subsystem for the transport of the imported crude oil. For the transport on the import subsystem are being settled tariffs per refineries and per transported quantity installments, being applied the band tariff model.

The transport tariffs are being established in accordance with NAMR Order no.53/2008 for the approval of the guidelines regarding the criteria, methodology and settlement procedure of the regulated for the transport via the National Transport System and are being approved by NAMR as competent authority.

The transport tariffs are determined by the value of transport allocation of the amount of oil transported to the beneficiaries, using a methodology based on the determination of the cost of service, defined as all the revenues required to cover the transportation system operations, here include:

- the operating cost, here included: material expenses, personnel expenses, pipeline maintenance expenses, expenses with energy, gas and water, costs related to the amortization of the fixed assets, royalties and other taxes applicable to the transporter, the expenses related to the provision of the pipeline guard, decontamination expenses, other expenses;
- modernization and development quota;
- reasonable profit margin.

2. Preparation Grounds

(a) Declaration of Conformity

These interim financial statements have been prepared pursuant to the Order of the Minister of Public Finances no. 2844/2016, for the approval of the accounting regulations compliant with the International Financial Reporting Standards (IFRS) ("OMFP 2844/2016) and IAS 34 - Interim Financial Reporting.

These preliminary financial situations do not include all the necessary information in order to provide a complete set of financial statements in compliance with the International Financial Reporting Standards and must be read together with the annual financial statements of the Company, prepared on December 31st, 2023. However, certain selected explanatory notes are included to explain the events and transactions that are significant for understanding the changes in the company's financial standing and performance since the last annual financial statements prepared on and for the financial year ended December 31st, 2023.

These interim financial statements have not been audited and have not been revised by an independent auditor.

These preliminary financial statements have been authorized for issue by the company management on November 14th, 2023.

(b) Accounting Estimates and Professional Reasoning

The preparation of the financial statements implies the use, by the Company's management, of various estimates, professional reasoning and hypotheses affecting the reported value related to assets, liabilities, revenues and expenses. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including predictions of future events that are believed to be reasonable under certain circumstances. The results of these estimates set the grounds for the professional reasonings regarding the accounting value of the assets and liabilities that cannot be obtained from other information sources. The actual results may be different from the estimates values.

The significant reasoning used by the management for the application of the Company's accounting policies and the main sources of uncertainty regarding the estimates have been the same as those applied to the financial statements related to 2023.

3. Accounting Policies

The accounting policies applied in these interim financial statements are the same with those applied in the financial statements of the Company at the date and for the financial period ended on December 31st, 2023, except for the adoption of new standards effective from January 1st, 2024:

- The amendments to IFRS 16 "Leasing contracts" (in force for the annual periods starting January 1, 2024 or *ulterior to this date*).

The amendments set out the way a company should recognize, evaluate, present and publish the leasing contracts. The amendments to IFRS 16 indicate the way the seller/lessee subsequently evaluates the selling transactions and leaseback.

The adoption of Amendments to IFRS 16 had no impact on the financial statement.

- Amendments to IAS 1 "The presentation of the financial statements" (in force for the annual periods starting January 1, 2024 or *ulterior to this date*)

The amendments specify the way a company must determine, in the statement of its financial standing, the debts and other liabilities with an uncertain settlement. As per these amendments, the respective debts or other liabilities must be classified either as current (due or potentially due in the one-year term) or as long-term.

The adoption of Amendments to IAS 1 had no impact on the financial statement.

- Amendments to IAS 7 "The presentation of the financial statements:" (in force for the annual periods starting January 1, 2024 or *ulterior to this date*)

These new requirements are meant to provide the users of the financial statements' information enabling them to assess the impact of supplier financing mechanisms on company's liabilities and cash flows and to understand the effect of suppliers financing mechanisms on the company's exposure to risk liquidity and how the company could be affected if these mechanisms were no longer available.

The adoption of Amendments to IAS 7 and IFRS 7 had no impact on the individual financial statements.

4. Tangible Assets

In the first six months of the year 2024, the tangible assets have evolved as follows:

Name	Lands	Buildings and special installations	Operating oil products	Machinery and equipment	Measuring and control devices	Means of transport	Other tangible assets	Tangible assets in progress	Total tangible assets
Gross accounting value on January 1, 2024	37,035,595	431,298,546	39,541,805	149,000,722	72,076,378	57,325,681	9,747,338	50,336,171	846,362,236
Cumulated depreciation on January 1, 2024	(4,771,543)	(1,332,063)	-	(71,831,803)	(52,651,069)	(36,793,083)	(8,151,600)	-	(175,531,161)
Net accounting value on January 1, 2024	32,264,052	429,966,483	39,541,805	77,168,919	19,425,309	20,532,598	1,595,738	50,336,171	670,831,075
Tangible assets inputs	475,313	22,046,420	-	8,391,629	3,464,557	2,462,919	94,000	(2,800,097)	34,134,741
Outputs of tangible assets at gross value	(8,253)	(19,470)	-	(48,268)	(113,217)	(893,400)	(38,000)	-	(1,120,608)
Cumulated depreciation related to outputs	4,562	2,704	-	13,729	128,652	893,400	36,417	-	1,079,464
Depreciation registered during the period	(631,444)	(26,520,009)	-	(5,999,620)	(3,250,271)	(2,086,737)	(267,286)	-	(38,755,367)
Gross accounting value on June 30th, 2024	37,502,655	453,325,496	39,541,805	157,344,083	75,427,718	58,895,200	9,803,338	47,536,074	879,376,369
Cumulated depreciation on June 30, 2024	(5,398,425)	(27,849,368)	-	(77,817,694)	(55,772,688)	(37,986,420)	(8,382,469)	-	(213,207,064)
Net accounting value on June 30, 2024	32,104,230	425,476,128	39,541,805	79,526,389	19,655,030	20,908,780	1,420,869	47,536,074	666,169,305

On 30.06.2024 the net value of the tangible assets has decreased as compared to the end of 2023 by the amount of 4,661,770 RON.

In the first Half of the year 2024 there were registered inputs of tangible assets in amount of 34,134,741 RON and outputs of tangible assets in net amount of 41,144 RON.

The depreciation of the tangible assets registered during the first six months of the year 2024 was of 38,755,367 RON.

In the first Half of the year 2024 there have been commissioned the tangible assets in amount of 35,208,285 RON.

In the first six months of 2024 there was an increase of the net value of assets representing rights of use resulting from rental and concession contracts in the amount of 658,536 RON

According to IFRS 16, the assets representing rights of use resulting from rental and concession contracts are recognized in tangible assets, as follows:

- At element-row "Lands" is included the value of the rights of use resulting from the lease and concession contracts concluded with various landowners.
On the rented lands are located telecommunication equipment and cathodic protection stations in various locations in the country. On 30.06.2024 the gross value of these assets is 7,503,415 RON, the cumulated depreciation of 5,398,425 RON, resulting in a net value of the rights of use related to the lands of 2,104,990 RON.
- In the position "Buildings and special installations" is recognized the value of the rights of use resulting from rental and concession contracts concluded with different owners for buildings that are rented for making available is recognized gendarmes, according to GD no. 1486/2005 on the provision of security and protection of objectives, goods and values with gendarmes, and for the performance of administrative activities. On the date of 30.06.2024, the gross value of these assets is 2,324,267 RON, the cumulated depreciation of 1,532,280 RON, resulting a net value of the rights of use related to the buildings of 791,987 RON.
- At the position "Means of transport" is included the value of the rights of use of 15 rail tanks necessary for the development of the activities specific to the company. On 30.06.2024, the gross value of these assets is 949,290 RON, the cumulative amortization of 158,215 RON, resulting in a net value of the rights of use related to the means of transport of 791,075 lei.

CONPET holds on June 30th, 2024, lands with an area of 733,697 sq.m, with an accounting value of 29,999,240 RON, which consists of:

- 554.181 sq.m lands with an accounting value of 16.293.210 RON held on the basis of 48 Certificates attesting the property right obtained in the period 2001-2005, evaluated on the date of obtaining the certificates, according to GD no. 834/1991 on the establishment and evaluation of some lands owned by state-owned companies, at the value of 26.708.233 RON. These lands have been obtained in the company patrimony at the expense of other equity reserves, without augmenting the share capital by the value thereof.
- 155.626 sq.m land with an accounting value of 4.168.765 RON, held based on 14 Certificates of attestation of the property right obtained until 2001. The share capital of the company was augmented by the amount of these lands;
- 23.870 sq.m land with an accounting value of 9.537.265 RON, purchased by the Company based on sale-purchase agreements. On one side of the purchased lands are located

administrative buildings, and on the rest are telecommunication towers, which are intended for the transport activity.

The lands held by the Company are located in Ploiești, at the company's administrative offices, and in the 24 counties covered by the transport pipelines or where the crude oil tanks loading ramps are being located.

The tangible assets also include the oil operating product, evaluated in the statement of the financial standing at the cost determined from revaluation, retreated by the application of IAS 29 "The financial reporting in Hyper inflationary Economies". On 30.06.2024, the accounting value of the operating oil product remained unchanged compared to the beginning of the year, being in amount of 39,541,805 RON.

Tangible assets in progress

On June 30, 2024, the value of the assets in progress is of 47,536,074 RON and includes investment projects provided in "2024 Investment Program", which are mainly composed of: pipeline upgrades on routes and different lengths, tanks modernizations, loading ramps and pumping stations modernizations, SCADA works, telecommunication works, cathodic protection modernization systems etc.

5. Intangible assets

Statement of intangible assets in the first six months of the year 2024 reveal the following:

- RON-

Name	Licenses and software	Other intangible assets	Total intangible assets
Gross accounting value on January 1, 2024	11,088,077	3,584,901	14,672,978
Cumulated depreciation on January 1, 2024	(6,183,962)	(2,929,443)	(9,113,405)
Net accounting value on January 1, 2024	4,904,115	655,458	5,559,573
Inputs of intangible assets	-	51,008	51,008
Outputs of tangible assets at gross value	(1,860)	-	(1,860)
Cumulated depreciation related to outputs	1,860	-	1,860
Depreciation registered during the period	(1,089,795)	(231,937)	(1,321,732)
Gross accounting value on June 30, 2024	11,086,217	3,635,909	14,722,126
Cumulated depreciation on June 30, 2024	(7,271,897)	(3,161,380)	(10,433,277)
Net accounting value on June 30, 2024	3,814,320	474,529	4,288,849

On 30.06.2024 the net value of the intangible assets has decreased as compared to the end of 2023 by the amount of 1,270,724 RON.

In the first six months of 2024 there have been registered inputs of intangible assets in the amount of 51,008 RON and depreciation in amount of 1,321,732 RON.

The depreciation method used is the linear one.

Intangible assets include software programs, soft licenses, electricity connection costs, water network and district heating network, borne by the company and recognized in intangible assets of the nature of the rights of use.

Research and development-related expenses have not been capitalized.

6. Financial Assets

Within the first six months of 2024, the financial assets have evolved as follows:

			- RON-	
	Name	Other non-current securities	Long-term receivables	Total intangible assets
Gross accounting value on January 1, 2024		5,100	2,837,892	2,842,992
Impairments for depreciation on January 1, 2024		-	(320,189)	(320,189)
Net accounting value on January 1, 2024		5,100	2,517,703	2,522,803
Inputs		-	18,662	18,662
Outputs		-	(2,005,066)	(2,005,066)
Gross accounting value on June 30, 2024		5,100	851,488	856,588
Impairments for depreciation on June 30, 2024		-	(320,189)	(320,189)
Net accounting value on June 30, 2024		5,100	531,299	536,399

On 30.06.2024 the net value of the financial assets has decreased as compared to January 1, 2024, by 1,986,404 RON, mainly due to the collection of guarantees granted to third parties.

The company holds contributions at the share capital of Independent Register Monitor in amount of 5,000 RON and is associate member, along with other companies, in the Romanian National Committee for the Oil International Council (CNR-CMP), participating at the establishment of the patrimony, CNR-CMP, with contribution in amount of 100 RON.

The long-term receivables, in net amount of 531.299 RON, represent guarantees granted to third parties and consist mainly of: returnable guarantees paid by the Company to the Ministry of Agriculture and Rural Development and the Ministry of Environment, Waters and Forests for the temporary removal of land from the agricultural circuit and the forest fund for the achievement of various investment objectives, including, as well as guarantees related to land and premises leases for the performance of production and administrative activities in different locations in the country and guarantees for the telecommunications equipment.

7. Inventories

				RON- RON-	
	Name	Materials and Consumables	Services in progress	Waste products	Total Stocks
Gross accounting value on January 1, 2024		6,467,315	872,224	33,332	7,372,871
Impairments for depreciation of inventories		(853,307)	-	-	(853,307)
Net accounting value on January 1, 2024		5,614,008	872,224	33,332	6,519,564
Stocks inputs during the period		2,730,654	4,915,580	45,829	7,692,063
Consumption/outputs of stocks during the period		(2,626,582)	(4,765,050)	(26,456)	(7,418,088)
Revenues from (Expense with) impairment for depreciation of stocks		14,382	-	-	14,382
Gross accounting value on June 30, 2024		6,571,387	1,022,754	52,705	7,646,846
Impairments for depreciation of inventories		(838,925)	-	-	(838,925)
Net accounting value on June 30, 2024		5,732,462	1,022,754	52,705	6,807,921

The stocks are made up of materials, spare parts and other materials that are to be used when performing the company's business, including the ones comprising security and intervention stocks meant for the potential provoked and technical breakdowns.

The company recognizes in "revenues from ongoing services the cost of supplied services but unreceived by the beneficiaries until the end of the period.

8. Trade receivables and other receivables

On June 30th, 2024 and December 31st, 2023, the trade receivables and other receivables reveal the following:

Name	June 30 2024	RON- RON- December 31 st , 2023
Clients	50,140,714	48,321,481
Impairments for depreciation of receivables	(208,618)	(208,618)
Other trade receivables	298,384	280,366
Impairments for the loss of value of other short-term intangible receivables	(1,404)	(1,404)
Subtotal trade receivables (net value)	50,229,076	48,391,825
Other receivables	13,601,399	6,288,206
Impairments for the depreciation of other receivables	(9,525,144)	(1,698,699)
Subtotal other receivables (net value)	4,076,255	4,589,507
Overall receivables	54,305,331	52,981,332

Clients' structure per activities is the following:

Name	June 30 2024	RON- RON- December 31 st , 2023
Clients- transport activity	49,522,646	47,617,013
Other clients - auxiliary activities	618,068	704,468
Total	50,140,714	48,321,481

Trade receivables are no interest bearer and have an average day collection of 29 days.

The main trade receivables in balance on June 30th, 2024 are to be received from: OMV PETROM S.A.– 42,020,106 RON (December 31, 2023: 40,006,967 RON) and Petrotel Lukoil S.A.– 7,469,341 RON (December 31, 2023: 6,551,650 RON).

The revenues from transport services supplied to the clients hold a significant share (over 99%) in the Company's turnover.

Other receivables in amount of 13,601,399 RON mainly include: undue VAT related to the unarrived invoices until 30.06.2024 (1,246,896 RON, namely 9.2 %) and amounts to be recovered from various natural and legal persons, most of them being in dispute before the courts (9,028,128 RON, namely 66.4 %).

Impairments for the depreciation of trade receivables are recorded for the doubtful clients involved in litigation or insolvency, presenting default of collection thereof. On June 30th, 2024 the value of these impairments amounts to 208,618 RON.

Adjustments for the impairment of other receivables are recorded for debts related to legal files pending in court and debits recorded in the bookkeeping based on final judgments obtained in court, subject to enforcement, as well as fines paid and in the appeal procedure. On June 30, 2024 the value of these adjustments amounts to 9,525,144 RON.

The Company's registers impairments for loss of value of 100% from the value of the receivables, for clients facing appeal, insolvency and for other debits related to the established legal files or for fines received and disputed.

Statement on receivables seniority

Trade receivables

		RON- RON-	
	Name	June 30 2024	December 31 st , 2023
Clients, o/w:		50,140,714	48,321,481
<i>Depreciated receivables</i>		208,618	208,618
<i>Non-depreciated receivables, o/w:</i>		49,932,096	48,112,863
- seniority less than 30 days		49,864,519	48,007,876
- seniority between 30 days and 60 days		61,736	98,106
- seniority between 60 days and 90 days		-	2,098
- seniority between 90 days and 270 days		1,059	4,782
- seniority between 270 days and 1 year		4,782	-
Other trade receivables, out of which:		298,384	280,366
<i>Depreciated receivables</i>		1,404	1,404
<i>Non-depreciated receivables, o/w:</i>		296,980	278,962
- seniority less than 30 days		16,063	1,597
- seniority between 30 days and 60 days		-	-
- seniority between 90 days and 270 days		280,917	277,365

Other receivables

		RON- RON-	
	Name	June 30 2024	December 31st, 2023
<i>Depreciated receivables</i>		9,525,144	1,698,699
<i>Non-depreciated receivables, o/w:</i>		4,076,255	4,589,507
- seniority less than 30 days		2,651,897	2,282,700
- seniority between 30 days and 60 days		2,588	196,453
- seniority between 60 days and 90 days		149,476	334,117
- seniority between 90 days and 270 days		169,746	1,111,809
- seniority between 270 days and 1 year		-	307,091
- seniority over 1 year		1,102,548	357,336
Total		13,601,399	6,288,206

9. Cash and cash equivalents

On June 30th, 2024 and December 31, 2023 the cash and cash equivalents look as follows:

		RON- RON-	
	Name	June 30 th , 2024	December 31st, 2023
Current bank accounts		2,943,669	2,020,616
Bank deposits with maturity ≤ 3 months		98,039,697	105,716,195
Cash on hand		3,447	5,362
Total		100,986,813	107,742,173

Cash and cash equivalents on June 30th, 2024 are down by 6.3% (6.8 million Ron) compared to December 31st, 2023.

The cash accounts at 30.06.2024 also include the cash representing the modernization quota, with special use regime, provided by GD no.168/1998, in amount of 37,779,727 RON. This is intended exclusively for funding the modernization and development works of public property.

The company has no restricted number.

10. Equities

The Share capital

During the reporting period, the share capital of the company has not changed, remaining at the value of 28,569,842 RON, divided into 8,657,528 ordinary shares with a nominal value of 3.3 RON/share and corresponding to the one registered at the Trade Register Office.

The structure of CONPET S.A. share capital and shareholding on June 30th, 2024 is exposed as follows:

Shareholders	June 30, 2024			December 31st, 2023		
	Number of shares	Amount (RON)	(%)	Number of shares	Amount (RON)	(%)
Romanian State by the Ministry of Energy	5,083,372	16,775,128	58.7162	5,083,372	16,775,128	58.7162
Legal persons	2,138,988	7,058,660	24.7067	2,029,972	6,698,907	23.4475
Natural Persons	1,435,168	4,736,054	16.5771	1,544,184	5,095,807	17.8363
Total	8,657,528	28,569,842	100%	8,657,528	28,569,842	100%

Legal reserves

On June 30th, 2024 the value of the legal reserve is 5.713,968 RON and represents the reserve constituted at the level of 20% of the share capital, as per the Law no.31/1990 and Articles of Incorporation.

Other reserves

Other reserves are in the amount of 551.381.817 RON and have registered an increase of 3,796,341 RON in the first six months of 2024, on account of the augmentation of the reserve representing the modernization quota.

The reserve related to the modernization quota is in amount of 500,463,481 RON and holds 90.8% in total other reserves.

Revaluation reserves

In the statement of the financial standing, the revaluation reserves are presented at the net value of 46,369,733 RON, resulting after the diminution of the gross value by the related deferred tax recognized directly in the equities, as per IAS 12.

Retained earnings

The retained earnings are in amount of 43,302,378 RON and contain:

- The retained earnings derived from the first adoption of IAS 29 related to fixed assets representing oil operating product recognized in tangible assets, in amount of 39,302,668 RON.
- The retained earnings representing actuarial loss from discount of benefits granted upon retirement: 531,142 RON;
- The retained earnings representing surplus achieved out of revaluation reserves: 3,468,568 RON

Profit of the period

The financial year's profit realized in the first six months of the year 2024 is 25,691,384 RON, falling compared to the year's profit registered YoY (29,482,139 RON).

11. Trade liabilities and other liabilities

On June 30th, 2024 and December 31st, 2023, the trade liabilities and other liabilities reveal the following:

Liabilities	December 31st, 2023	June 30 2024	RON- RON-		
			Maturity date for the balance on June 30th, 2024		
			Under 1 year	1-5 years	Over 5 years
Trade liabilities	33,091,805	38,389,899	38,389,899	-	-
Liabilities to the employees	39,908,276	42,422,325	14,537,404	2,804,599	25,080,322
Other liabilities	33,364,459	43,583,613	40,752,842	2,106,639	724,132
Total	106,364,540	124,395,837	93,680,145	4,911,238	25,804,454

The trade liabilities related to the purchase of goods and services for the operating activity have a share of 51.9% in total trade liabilities, while those representing the procurement of assets have a share of 48.1%.

The liabilities to employees, in balance on the date of 30.06.2024, also include the future liabilities for the benefits granted to employees on retirement or death, for the employees share of profit and for the untaken leaves of the employees, liabilities that are recognized as provisions.

The statement of liabilities to the employees on maturity terms reveals the following:

Liabilities	December 31st, 2023	June 30 2024	RON- RON-		
			Maturity date for the balance on June 30, 2024		
			Under 1 year	1-5 years	Over 5 years
Salaries and assimilated debts	7,140,257	7,395,699	7,395,699	-	-
Liabilities for benefits granted on retirement	22,089,977	23,605,441	330,515	2,750,481	20,524,445
Liabilities for the benefits granted in case of death	4,155,542	4,629,636	19,641	54,118	4,555,877
Liabilities for employees share of profit	6,002,879	2,206,271	2,206,271	-	-
Liabilities for untaken leaves	519,621	4,585,278	4,585,278	-	-
Total	39,908,276	42,422,325	14,537,404	2,804,599	25,080,322

The largest share of liabilities to employees is held by the liability for pension benefits in the amount of 23,605,441RON, of which 23,274,926 RON are long-term liabilities and 330,515 RON are short-term obligations.

On 30.06.2024, the liability for the employees share of profit is of 2,206,271 and include, mainly, the amounts related to the service delivered by the employees in the first six months of the year 2024, settled at the level provided in the revenues and expenditure budget for this period.

Within the liabilities to the employees is also included the liability for the untaken annual leave which, at the end of Half I, 2024 is in amount of 4,585,278 RON.

The standing "Other liabilities" includes social and health insurance contributions, liabilities to the state budget and other liabilities, which, on maturity terms are presented as follows:

Liabilities	December 31st, 2023	June 30 2024	Maturity date for the balance on June 30, 2024			RON- RON-
			Under 1 year	1-5 years	Over 5 years	
Salaries contributions	6,221,902	5,714,610	5,714,610	-	-	
Current corporate tax	1,807,695	2,009,804	2,009,804	-	-	
Royalty due to the State Budget	10,270,414	11,997,528	11,997,528	-	-	
VAT payable	4,111,198	4,588,729	4,588,729	-	-	
Other interests and debts- State Budget	1,221,041	6,228,343	6,228,343	-	-	
Payable Dividends	5,444,333	7,778,769	7,778,769	-	-	
Leasing related liabilities	3,346,757	3,981,250	1,740,704	1,763,977	476,569	
Prepaid expenses	695,643	654,544	82,009	324,972	247,563	
Other liabilities	245,476	630,036	612,346	17,690	-	
Total	33,364,459	43,583,613	40,752,842	2,106,639	724,132	

On 30.06.2024, the liabilities related to the leasing contain the rights of use recognized for the lease and concession contracts of some lands, buildings and tank cars (note 4).

The liabilities related to the rights of use recognized for the lease and concession contracts of some lands, buildings and wagons have been assessed at the value of rent fees/royalties along the remaining contractual period, discounted with the borrowing rate for real estate loans.

12. Short-term provisions

Name	June 30 2024	RON- RON-	
		June 30 2024	December 31st, 2023
Provisions for litigations	7,474,198	7,156,937	
Provisions related to mandate contracts	2,493,081	1,824,068	
Other provisions for risks and expenses	538,113	312,141	
Total provisions	10,505,392	9,293,146	

Provisions for litigations

In detail, the provisions for litigations are:

Name	June 30 2024	RON- RON-	
		June 30 2024	December 31st, 2023
Litigations for civil compensations	5,759,441	5,458,971	
Litigations for third parties' failure to respect certain contractual clauses	47,100	70,609	
Other litigations	1,667,657	1,627,357	
Total	7,474,198	7,156,937	

The company is involved in various litigations for compensations and annuities requested by various owners, natural and legal persons, following the exercise by the company of the right to legal right of way on their lands.

On 30.06.2024, there are being registered provisions for such litigations amounting to 5,759,441 RON, increasing by 300,470 RON compared to 31.12.2023.

The position "Other litigations", amounting to 1,667,657 RON, represents the value of the provision constituted for the litigation opened in 2018 by Fondul Proprietatea, the latter requesting the

payment of the net dividends distributed from the profit of the financial year 2006, related to a share of 6% held by the plaintiff in the share capital of CONPET S.A., as well as the legal interest calculated for the amount requested starting with the maturity date thereof.

Provisions related to the Contract of Mandate

There have been settled liabilities for the allowances given to directors, in accordance with the contracts of mandate and GEO 109/2011 on corporate governance, including the related contribution, as follows:

- 166,011 RON represents liabilities for rest leave not performed by the directors with mandate contract, corresponding to the year 2023 and the first six months of the year 2024;
- 2,327,070 RON is liability for the variable component related to the first six months of 2024, of which 918,939 RON debt for allowances granted to the members of the Board of Directors and 1,408,131 RON debt for allowances granted to directors.

Other provisions

On September 30th, 2023, the balance of the position „Other provisions”, in the amount of 538,113 RON represents a provision for environmental expenses and for lack of use of the land on which the Voința Sports Base is located (438,113 RON), land owned by Ploiești Municipality.

13. Current and Deferred Corporate Tax

The expense with the current and deferred corporate tax of the company on June 30, 2024 and June 30, 2023 is being determined by a statutory rate of 16%.

Name	June 30 2024	June 30 2023
Expenses with the ordinary corporate tax	6,212,672	5,136,185
The expense with /(revenues from) deferred corporate tax	-2,150,367	17,084
Total	4,062,305	5,153,269

Reconciliation of the effective rate of taxation:

Name	June 30 2024	June 30 2023
Profit before tax	29,753,689	34,635,408
- Corporate tax at a statutory rate of 16%	4,760,590	5,541,665
Effect on the corporate tax of:		
- Non-deductible expenses	2,934,092	1,642,097
- Non-taxable revenues	(1,539,739)	(1,522,598)
- Elements similar to the revenues	661,174	85,380
- Elements similar to the expenses	(132,138)	(129,340)
- Spared corporate tax	(70,911)	(246,019)
- Amounts representing sponsorship falling under the limits provided by law	(400,396)	(235,000)
Expenses with Ordinary Corporate Tax	6,212,672	5,136,185

The deferred corporate tax

The deferred corporate tax payable and recoverable was calculated based on the temporary taxable and/or deductible differences determined for assets and debts as differences between the accounting value of the asset and/or the debt and the amount attributable in fiscal purposes. The company recognizes the deferred taxes on the account of an expense or an income except for the tax generated by an event directly accounted in the equities.

Statement of movements regarding the receivable/debt with the deferred income during the first six months of the year 2024, reveals the following:

2024	Net value on the 1 st of January	Deferred corporate tax recognized in the profit and loss account	Deferred corporate tax recognized in the equity	- RON-	
				Receivable related to the deferred corporate tax	Debt related to the deferred corporate tax
Reevaluation of tangible assets	(6,923,808)	546,529	660,130	2,875,258	(8,592,407)
Provisions	5,584,626	504,625	-	6,089,251	-
Impairments of current assets	437,679	439,083	-	876,762	-
Deferred corporate tax before offsetting	(901,503)	1,490,237	660,130	9,841,271	(8,592,407)
Receivable/liability offsetting				(8,592,407)	8,592,407
Deferred corporate net tax - recoverable					1,248,864

Deferred tax payment, recognized on account of equity items on 30.06.2024 is in amount of 8,592,407 RON and the deferred corporate tax to be recovered on 30.06.2024 in the statement of the global result is of 9,841,271 RON.

In conclusion, on 30.06.2024 the company has a net receivable related to the deferred corporate tax reaching 1,248,864 RON.

14. Result per Share

The result per share in the first six months of the year 2024, as compared to the same period of the previous year is the following:

Name	RON- RON-	
	June 30 2024	June 30 2023
Profit of the Financial Year	25,691,384	29,482,139
The number of ordinary shares at the beginning and the end of the period	8,657,528	8,657,528
Basic and diluted earnings per share (RON/share)	2.97	3.41

15. Operating Revenues

a) Revenues from contracts

Name	RON- RON-	
	June 30 2024	June 30 2023
Revenues from transport service, of which:		
<i>Revenues from transport services domestic subsystem*</i>	265,904,677	240,080,839
<i>Revenues from transport services import subsystem*</i>	180,631,854	173,257,292
<i>Other revenues associated with the transport operations</i>	82,867,758	63,075,150
Revenues from rents	2,405,065	3,748,397
Other revenues from contracts	964,163	1,048,495
Total contracts revenues	266,930,394	241,197,601

*) Transported quantities for which are being applied tariffs regulated by NAMR.

The transport revenues are achieved out of the services supplied to clients for the transport of the crude oil, rich gas and condensate volumes, at the tariffs approved by Order of the President of the National Agency for Mineral Resources.

In the first six months of 2024, the quantities transported on subsystems, as compared to the same period of the previous year are the following:

Name	June 30 2024	June 30 2023
Quantities transported on the Domestic subsystem*	1,411,186	1,468,905
Quantities transported on the import subsystem*	2,078,314	1,500,876
Other transport operations	59,592	85,930
Total quantities (tons)	3,549,092	3,055,711

*) Transported quantities for which are being applied tariffs regulated by NAMR.

The total quantity of transported products has increased by 16.1% in the first six months of 2024 compared to the same period of the previous year, with the increase of the quantities transported on the import subsystem by 38.5% and the decrease of the quantities on the domestic transport subsystem by 3.9 % and those related to other transport operations by 30,7%.

The tariffs for the supply of crude oil, rich gas, condensate and ethane are regulated and approved by the NAMR and are distinguished for each transport subsystem.

The tariffs applied for the import transport subsystem vary according to the installment of transported quantity, being practiced the bracketing tariff model and the refinery- the hand-over site.

In the reporting period, the following tariffs were applied:

Tariffs from transport services on domestic subsystem:

Period	Transport tariff (RON/ton)	Approved by NAMR Order no.
January 1st, 2023 - December 31, 2023	117.95	364/2022
Starting January 1st, 2024	128.00	340/2023

Tariffs for transport services on import subsystem:

Period	Tranches	Arpechim Refinery	Ploiesti Basin (Petrobrazi and Petrotel Lukoil refineries)	Petromidia Refinery	Approved by NAMR Order no.
	Thousand tons/month	RON/ton	RON/ton	RON/ton	
January 1 st , 2023 - December 31, 2023	No more than 80	52.25	51.60	20.73	364/2022
	80 -120	41.80	41.28	16.59	
	120 -160	31.35	30.96	12.44	
	Over 160	23.51	23.22	9.33	
starting January 1, 2024	No more than 80	55.00	39.85	26.50	340/2023
	80 -120	54.79	39.70	26.40	
	120 -160	54.59	39.55	26.30	
	Over 160	54.38	39.40	26.20	

b) Other Operating Revenues

Name	June 30 2024	June 30 2023	RON- RON-
Revenues out of modernization quota consumption	28,893,337	22,388,495	
Other revenues	9,513,079	776,068	
Total other operating expenses	38,406,416	23,164,563	

The revenues representing the modernization quota hold 75.2% of other operating revenues, registering an increase by 29.1% in the first six months of the year 2024 as compared to the same period of the previous year, due to the increase of the fixed assets amortization financed out of the quota.

On a monthly basis is being written back to revenues the modernization quota at the level of depreciation of the fixed assets financed out of this source.

16. Operating Expenses

a) Stocks and Utilities Expenses

Name	June 30 2024	RON- RON- June 30 2023
Expenses with consumables	2,312,852	3,132,772
Other material expenses	204,986	365,860
Other Expenses with Energy and Water	10,321,330	8,345,231
Total Stocks and Utilities related Expenses	12,839,168	11,843,863

b) Personnel expenses

Personnel expenses include salary expenses, employee bonuses, other personnel expenses and allowances related to mandate contracts of the members of the Board of Directors and the directors with a mandate and expenses with the contributions owed by the employer.

Name	June 30 2024	RON- RON- June 30 2023
Salary expenses	82,017,463	77,263,730
Obligations regarding employees' bonuses	16,306,055	14,940,304
Other personnel expenses	1,514,000	39,600
Expenses on Remuneration of Directors with mandate contract and of the Administrators	3,913,831	3,457,400
Expenses with contributions due by the employer	4,176,043	3,950,658
Total personnel expenses	107,927,392	99,651,692

The personnel expenses are detailed as follows:

Salary expenses

Name	June 30 2024	RON- RON- June 30 2023
Salary and related contributions expenses	81,512,398	76,653,005
Retirement supports	440,784	578,153
Marriage support	64,281	32,572
Total salary related expenses	82,017,463	77,263,730

Expenses with the personnel basic salaries and the related bonuses have increased in the first six months of 2024, compared to the same period in 2023, mainly following the indexation of salaries by 6% on average, 20.12.2023.

In accordance with the Collective Labor Agreement in force, the Company has also provided benefits for the employees consisting in retirement support, marriage support.

Obligations regarding employees' bonuses

Name	June 30 2024	June 30 2023	RON- RON-
Employees share of profit	5,996,608	6,000,000	
Meal vouchers	6,327,680	4,798,590	
Social expenditure under art. 25 of Law no. 227/2015 on the Fiscal Code, further amendments and completions	2,539,621	2,710,855	
Other expenses as per the Collective Labor Agreement	1,442,146	1,430,859	
Total	16,306,055	14,940,304	

The value of bonuses granted to employees has an increase of 1,365,751 RON in the first Quarter of 2024, compared to the first Quarter of 2023, mainly due to the increase in value of the meal voucher from 30 RON in the first three months of 2023 to 40 RON starting with 01.01.2024.

In accordance with the Collective Labor Agreement in force, the Company paid to the employees bonuses as social expenses under art. 25 of Law no. 227/2015 regarding the Fiscal Code consisting of tickets for rest and treatment, including travel, gifts to employees, aid for birth, funeral, serious illness humanitarian and other social expenses as per the CLA.

Other personnel expenses

Name	June 30 2024	June 30 2023	RON- RON-
Expenses with the severance indemnity related to the personnel layoffs	1,514,000	39,600	
Total	1,514,000	39,600	

The position "Other personnel expenses" includes expenses for severance payments, provided under CLA, related to personnel layoffs conducted in the first Semester of 2024.

Expenses on Remuneration of Directors with mandate contract and of the Administrators

Name	June 30 2024	June 30 2023	RON- RON-
Allowance of the directors with mandate	2,367,650	2,295,688	
Allowances of the members of the Board of Directors	1,546,181	1,161,712	
Total	3,913,831	3,457,400	

Expenditure on allowances related to the mandate contracts of directors register an increase with 456,431 RON in the first six months of 2024 compared to the same period of 2023, due to the increase in the monthly gross average salary considered when determining the level of fixed allowances of administrators and managers appointed following the selection procedure under GEO 109/2011, with subsequent amendments and completions, the procedure carried out between October 2023 - January 2024.

Expenses with contributions due by the Employer

Name	June 30 2024	June 30 2023	RON- RON-
The company's contribution to voluntary pension funds	1,341,810	1,275,166	
Company's contribution to voluntary health insurance	702,220	692,054	
Labor insurance contribution and other contributions	2,132,013	1,983,438	
Total	4,176,043	3,950,658	

In the first six months of 2024, following the increase of the salaries in December 2023, the work insurance contribution has proportionally increased.

c) Expenses related to External Services

Name	June 30 2024	RON- RON- June 30 2023
Rail transport expenses	38,005,744	34,560,723
Expenses with royalties and rentals	24,115,081	18,438,409
Third-party pumping expenses	2,580,950	2,472,050
Maintenance and repair expenses	1,552,827	1,012,582
Expenses with the decontaminations, monitoring of the environmental factors	307,898	209,970
Travel, secondment and transfer expenses	314,856	293,548
Expenses related to the transport of goods and personnel	5,042	4,286
Postal and telecommunication expenses	343,544	346,315
Other expenses with services performed by third parties	3,367,688	2,969,792
Total expenses related to external services	70,593,630	60,307,675

The expenses with royalties and rents contain mainly the oil royalty due by the company to the State budget, as holder of the oil agreement, under the law, for the use of the goods public property of the State within the oil operations.

It is being calculated according to the Oil Law no. 238/2004, by application of a quota of 10% up to the date of 26.10.2023, respectively of 11.5% as of 27.10.2023 on the value of gross revenues achieved out of oil transport operations via the oil national transport systems

d) Other expenses

Name	June 30 2024	RON- RON- June 30 2023
Taxes, fees and similar levies related expenses	2,806,057	1,568,262
Compensations, fines and penalties expenses	74,349	13,211
Donations granted (sponsorships)	439,000	235,000
Environmental protection expenses	10,949	9,918
Expenses with the establishment of the modernization quota	32,689,678	29,672,073
Other operating expenses	141,397	111,714
Other expenses	36,161,430	31,610,178

In the first half of the year 2024, the expenses registered with other taxes, duties and similar levies contain, mainly, the expenses with local taxes, expenses with turnover specific tax due to the legal persons who perform activities in the oil and natural gas sector, under the Law no.296/2023 concerning certain financial-budgetary measures for providing financial sustainability of Romania on long term and the expenses with the contribution to the special disability fund due based on Law no.448/2006 on the protection and promotion of the disabled persons.

The chapter "Other expenses" constitutes reserves regarding the modernization quota through other operating expenses, in compliance with the provisions of GD no. 168/1998 further amendments and with the provisions of the Fiscal Code approved pursuant to Law no. 227/2015, further amendments and completions.

17. Net Financial Result

Name	June 30 2024	RON- RON- June 30 2023
Revenues from interests	3,499,310	3,795,303
Other financial revenues	9,233	22,374
Total financial revenues	3,508,543	3,817,677
Interests' expenses related to leasing contracts	131,783	110,434

Other financial expenses	57,584	29,625
Total financial expenses	189,367	140,059
Net Financial Result	3,319,176	3,677,618

The financial revenues have decreased by 8.1% in the first Half of the year 2024 YoY and the financial expenses have increased by 35.2% during the analyzed period compared to the same period of the previous year. Based on this evolution, the net financial result has decreased by 9.7% in the first six months of the year 2024 YoY.

18. Affiliated parties

In Half 1, 2024, the Company carried out the following significant transactions with affiliated parties.

Procurement from affiliated parties

Partner	Unsettled amounts on December 31st, 2023	Procurements during 01.01.- 30.06.2024	Settlements during 01.01.2024- 30.06.2023	RON- RON-	
				Unsettled amounts on June 30,2024	
SPEEH HIDROELECTRICA S.A.	6,533,337	-	6,376,120		157,216

! The amounts are also VAT inclusive

Prepayments awarded to affiliated parties

Partner	June 30,2024	RON- RON-	
		December 31st, 2023	
SPEEH HIDROELECTRICA S.A.	-	1,989,045	
ELECTRICA FURNIZARE S.A.	277,365		277,365

19. The Impact of the Conflict Rusia - Ukraine on the activity of the Company CONPET S.A.

The company's business was not affected by the conflict between Russia and Ukraine and there are no indications in what concerns the depreciation of the assets due to the effects of Russia's invasion of Ukraine. The medium and long-term impact of this conflict and the sanctions imposed on Russia cannot be predicted at this time with sufficient accuracy. Considering that the Company has an activity somehow dependent on the area affected by sanctions (especially Russia), in terms of sales we reckon that the Company has the capacity and the ability to continue its work in the foreseeable future so that it be affected as little as possible.

20. Subsequent events and other mentions

There have not been registered significant events ulterior to the reporting period.

These interim financial statements and the related notes, from page 1 to page 27, have been authorized for issue by the company's management on August 12, 2024.

**Director General,
Eng. Dorin Tudora**

**Economic Director
Econ. Sanda Toader**