FSV

H1 2026

FINANCIAL REPORT

FORAJ SONDE S.A. VIDELE

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ISSUER INFORMATION

INFORMATION ON THIS FINANCIAL REPORT

Type of report	Half-Year Report - H1 2026
For the financial period	01.01.2026 - 30.06.2026
Report publication date	31.08.2026
Prepared in accordance with	Annex 14 to ASF Regulation No. 5/2018

ISSUER DETAILS

Name	FORAJ SONDE S.A. VIDELE
Tax identification number (CUI)	1397872
Trade Register registration number	J1991000202345
Registered office	16 PETROLULUI STREET, VIDELE, TELEORMAN COUNTY

INFORMATION ABOUT FINANCIAL INSTRUMENTS

Subscribed and paid-up share capital	RON 28,316,565
Market on which the securities are traded	Bucharest Stock Exchange, MTS AeRO - Standard
Total number of shares	11,326,626 shares
Ticker symbol	FOJE

CONTACT DETAILS FOR INVESTORS

Telephone number	0247 453 833
Email	office@fsv.ro
Website	www.fsv.ro

The financial statements as at 30.06.2026 presented on the following pages are **unaudited.**

Disclaimer: The financial figures presented in the narrative section of this report, expressed in million RON, are rounded to the nearest integer. This may result in small reconciliation differences.

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Shareholders,

The first half of 2026 confirms that FSV's growth strategy is delivering results. We continued to develop through new contracts, acquisitions, investments in equipment and expansion into new markets, both in Romania and internationally. The results already reflect this change in pace. Operating revenues increased by 85% to RON 157.2 million, EBITDA reached RON 19.6 million, compared with a negative EBITDA of RON 15 million in H1 2025, while the Company returned to profitability, recording a net profit of RON 6.5 million. We also exceeded the profitability target budgeted for this period by 1%.

We have a solid portfolio of contracts, already signed, with values well above historical levels. The value of contracts amounts to approximately EUR 500 million. This portfolio provides high revenue visibility, increases the predictability of our business and significantly reduces operational risk. It includes projects with both short and medium-term durations, allowing us to plan cash flows and resource allocation efficiently.

At the same time, we are strengthening the Group through acquisitions that bring additional assets, teams and technical expertise. The integration of these businesses is expected to generate operational and financial synergies, diversify our activities, optimise costs and increase our execution capacity. The agreement for the acquisition of Raffles Energy gives us access to natural gas production assets and electricity generation capacities. In addition, we have signed a business transfer agreement for the acquisition of Transgex's drilling business, with completion expected in 2026, subject to obtaining the necessary regulatory approvals. Once completed, the transaction will add to the Group a drilling rig already in operation, specialised personnel and the related contracts. Together, these capabilities will enable us to pursue larger and more complex projects with advanced technical requirements.

Another key pillar of our strategy is the continuous expansion of our asset base. We are investing in the modernisation of existing equipment and in the acquisition of rigs with different capacities. In June, we acquired Rig Amazonia, a 450-tonne drilling rig, while the 2026 investment programme was increased to EUR 45 million. These investments are necessary both for the execution of the contracts already secured and for the integration of completed acquisitions and those planned for the coming period. A larger and more diversified asset base gives us access to a broader range of projects, including works involving complex technical specifications and higher returns. At the same time, it increases our operational flexibility, reduces our dependence on third parties and enables us to retain a larger share of the margin within the Group.

We have also focused on expanding into markets with significant potential, such as geothermal energy and gas storage. We currently have two rigs in operation in France and the Netherlands and we expect to commence a drilling campaign in France in 2026. Our accumulated experience and international presence give us access to new clients and opportunities, contributing to risk diversification, revenue stability and the strengthening of the Group's commercial reputation.

Romania remains one of the most attractive and resilient onshore drilling markets in the European Union. Its available reserves are substantial and more accessible, including from a cost perspective, compared with offshore alternatives. Our local expertise and long-standing relationships with the sector's leading operators position us well to capitalise on this opportunity. Our business model is straightforward: firm contracts, owned assets, synergies within the Group and international exposure. Together, these elements support strong returns, margin retention and the generation of solid and predictable cash flows.

In the second half of 2026 and throughout 2027, we will continue to pursue the same strategy. We expect a significant acceleration in revenue and EBITDA as new contracts enter the execution phase, investments become operational and the acquired businesses are integrated. For 2026, we continue to expect results broadly in line with the budget approved at the beginning of the year, including at EBITDA level.

Further details on the Company's performance and outlook are set out on the following pages. Should you have any questions, please contact us at office@fsv.ro.

Adrian Crețoiu

Chairman of the Board of Directors Foraj Sonde S.A. Videle

ABOUT FORAJ SONDE S.A. VIDELE

DESCRIPTION OF THE ISSUER'S BUSINESS

Foraj Sonde S.A. Videle is a Romanian company specialised in onshore drilling, well completion and well intervention services, operating primarily in the oil and gas sector, with an increasingly visible expansion into geothermal projects and other related works. The Company's main activity consists of support activities for crude petroleum and natural gas extraction, corresponding to NACE code 0910, a segment in which the Company provides specialised technical services, onshore drilling works and associated well operations.

The Company’s business model is built around the delivery of day rate services or integrated service package covering the entire operational cycle, from site preparation and rig-up through drilling execution, well completion, surface works, logistics and subsequent interventions. FOJE provides both drilling services and well intervention (workover) services, depending on client requirements, either on a day-rate basis or under turnkey contracts, which allows the Company to respond flexibly to a wide range of operational requirements and to make efficient use of its asset base and specialised workforce.

FOJE differentiates itself through its ability to perform critical functions in-house, such as site preparation, equipment maintenance, transport, logistics, permitting and operational support. Beyond conventional oil and gas drilling services, the Company carries out surface works for wells, including civil works, pipelines and power lines, other oilfield services, as well as warehousing and logistics services supported by its own operating base.

At the same time, the Company has deliberately expanded its scope of activity into well intervention services, geothermal projects, gas injection wells, water supply wells, drainage and observation wells and, where applicable, well abandonment works. This expansion reflects the Company's strategic focus on segments with strong growth prospects, where its traditional drilling expertise can be efficiently transferred to new applications, including in the context of the energy transition.

EXPERIENCE

The Company has one of the most extensive pools of expertise in Romania’s onshore drilling industry, built over more than four decades of uninterrupted operations. Its accumulated experience covers conventional oil and gas drilling projects, well intervention works, surface works, gas storage projects and geothermal initiatives.

At operational level, the Company drills more than 50,000 metres per year and operates at a utilisation rate of over 75%, confirming a high level of activity and efficient use of its rig fleet. FOJE's experience is supported by a team of more than 415 professionals, including drillers, engineers, technical staff, HSEQ specialists and logistics support personnel, capable of simultaneously delivering complex projects and works carried out under demanding operating conditions.

Over time, FOJE has developed stable commercial relationships with some of the most important players in the energy sector, including OMV Petrom, Romgaz, Depogaz, Mazarine Energy, Hunt Oil, Expert Petroleum and Vermilion Energy. The Company's experience is not limited to executing the works, but also covers logistics coordination, site management, integration of surface works and cooperation with international technical suppliers such as Schlumberger, Weatherford and Baker Hughes.

A relevant element of the Company's track record is the performance acknowledged by clients during project execution. The Company uses a post-execution assessment mechanism based on 9 standardised criteria, and more than 80% of the assessments received fall within the top range, above 90 points. This level of performance confirms the Company's ability to deliver services meeting high standards of quality, safety and operational discipline.

FULL PORTFOLIO OF SERVICES AND SOLUTIONS

The Company provides an integrated portfolio of technical and operational services addressed to the oil and gas sector, as well as to projects with a geothermal component. The structure of this portfolio enables FOJE to act both as a specialised drilling contractor and as a technical partner capable of managing complex projects with multiple operational components.

Drilling and well completion services

FOJE provides onshore drilling services for oil and gas wells, using rigs with hook load capacities of between 70 and 450 tonnes and drilling depths of between 1,000 and 7,000 metres. This category covers both drilling operations as such and the associated completion activities and well preparation for subsequent production stages.

Well repair and intervention work

FOJE has strengthened its presence in the well intervention segment, where it carries out workover operations for repairs, replacement of worn equipment, rehabilitation of wells no longer performing at optimal parameters and other technical interventions designed to extend the useful life and performance of production and storage assets.

Engineering, well design and site preparation

The Company's portfolio includes engineering and site preparation services, from well design and rig mobilisation through to site organisation and coordination of the infrastructure required for the works. This package helps reduce the number of supplier interfaces and increases control over execution.

Surface works and associated infrastructure

The Company carries out surface works for wells, including civil works, pipelines, power lines and production facilities, thereby complementing its drilling services with operational and technical integration.

Logistics, transport, maintenance and operational support

An important element of FOJE's offering is its integrated logistics, transport, maintenance and in-house technical support services. The Company has its own transport and mobilisation capabilities, in-house maintenance and mechanical teams, a fleet of cranes and auxiliary equipment, as well as a logistics and technical base at Videle, which supports the continuity and predictability of its projects.

Permitting and operational compliance services

FOJE manages the entire permitting and compliance process for the projects in which it is involved, supporting the smooth performance of the works and compliance with applicable requirements throughout the project life cycle.

Specialised services for geothermal and other related applications

In addition to conventional oil and gas projects, the Company provides services for geothermal drilling, gas injection wells, water supply wells, drainage and observation wells and, where applicable, well abandonment works. The expansion into these segments allows the Company to leverage its drilling expertise in new markets and in applications aligned with the energy transition

EMPLOYEES

At 30.06.2026, Foraj Sonde S.A. Videle had 415 employees, compared with 372 employees at 30.06.2025.

DIRECTORS AND EXECUTIVE MANAGEMENT

The Company is managed by a Board of Directors composed of 3 members elected for a term of office running until 30.04.2028. As at the date of this report, the Company's Board of Directors is composed of the following members:

(i) FIRST ALL ENERGY EUROPE S.R.L., represented by Adrian Crețoiu, Chairman and non-executive member of the Board of Directors;

(ii) INSPIRE ASSET MANAGEMENT S.R.L., represented by IULIAN PORTASĂ, non-executive member of the Board of Directors; and

(iii) Roxana Mușoi, non-executive member of the Board of Directors.

Executive management consists of Florian Țăndăreanu, in his capacity as Chief Executive Officer.

FOJE SHARES ON THE BUCHAREST STOCK EXCHANGE

The shares of FORAJ SONDE S.A. VIDELE are traded on the AeRO Multilateral Trading System operated by Bucharest Stock Exchange S.A., under the ticker symbol FOJE. The shares have ISIN ROFOJEACNOR1 and are ordinary, registered, book-entry shares with a nominal value of RON 2.50 each, the first trading day being 24.12.1996. Prior to the establishment of the AeRO market, FOJE shares were traded on the RASDAQ market, 3rd category. The Issuer's securities are not admitted to trading on any foreign markets.

The Company currently has a share capital of RON 28,316,565, divided into 11,326,626 shares. As at **30.06.2026**, the Company's shareholding structure was the following:

SHAREHOLDER	NUMBER OF SHARES	%
FIRST ALL ENERGY EUROPE S.R.L.	5,116,682	45.1739%
INSPIRE ASSET MANAGEMENT S.R.L.	3,726,460	32.9000%
Individuals	1,515,887	13.3834%
Legal entities	967,597	8.5427%
Total	11,326,626	100.0000%

KEY EVENTS IN H1 2026 AND AFTER THE REPORTING PERIOD

RESOLUTIONS OF THE OGMS & EGMS OF 28.01.2026

On **28.01.2026**, the Ordinary and Extraordinary General Meetings of Shareholders of FOJE were held. The legal and statutory quorum for the meetings was met on first convening.

The key items approved by the two meetings were:

(i) the revision and supplementation of the resolution adopted by the General Meeting of Shareholders dated 16.12.2025 regarding the distribution of dividends out of reserves;

(ii) the adjustment of the previously approved dividend from RON 3.712 per share to RON 2.6174 per share, together with clarification of the implementation and payment mechanism;

(iii) the approval of entering into and/or amending certain credit facilities, including the related security, in support of the Company's business and development, and the empowerment of the Board of Directors to negotiate and sign the related financing documentation.

Further details are available **HERE**.

2026 DIVIDEND PAYMENT

On **29.01.2026**, Foraj Sonde Videle informed shareholders of the payment of dividends distributed out of reserves, in a gross amount of RON 2.6174 per share, through Depozitarul Central S.A. and Banca Comercială Română S.A. acting as paying agent, starting 30.01.2026, to the shareholders registered in the Shareholders' Register at the record date of 13.01.2026.

Further details are available **HERE**.

FRAMEWORK AGREEMENT WITH DALKIA (FRANCE)

On **03.02.2026**, the Company announced the award of a framework agreement with Dalkia France (part of the EDF group) for the provision of drilling services for geothermal projects, with an estimated value of up to approximately RON 660 million. The agreement is non-exclusive and provides for works to be awarded on an individual basis, according to the beneficiary's requirements, marking an important step in the Company's expansion into the Western European geothermal energy market. On **01.04.2026**, the Company informed shareholders of the signing of the agreement.

Further details are available **HERE**, **HERE**, **HERE** and **HERE**.

BANK FINANCING – BANCA TRANSILVANIA AND RAIFFEISEN BANK

On **11.02.2026**, the Company announced that it had obtained bank financing through the signing of two credit agreements: one with Banca Transilvania, for up to EUR 6 million, maturing in January 2027 and renewable, and one with Raiffeisen Bank, consisting of a revolving overdraft facility and bank letters of guarantee, for up to EUR 6 million, maturing in December 2030. The facilities, secured over receivables, bank accounts and equipment, are intended to support current operations and to provide the liquidity required for the Company's development.

Further details are available **HERE**.

CONTRACT WITH MIJNWATER ENERGY (THE NETHERLANDS)

On **18.03.2026**, the Company announced the signing of a contract with MijnWater Energy B.V. of the Netherlands for the provision of drilling services for a geothermal project. The project marked the Company's entry into the Dutch market and the strengthening of its positioning in the renewable energy sector, through the diversification of its portfolio of international projects.

Further details are available **HERE** and **HERE**.

ACQUISITION OF RAFFLES ENERGY

On **09.04.2026**, FSV announced the signing of the agreement for the acquisition of 100% of the share capital of Raffles Energy (UK) Ltd., the holding company controlling the Romanian entities Raffles Energy S.R.L. and Zenith Resources S.R.L. This transaction represents a major step in diversifying the group portfolio, providing direct access to natural gas production assets (concessions held in partnership with Romgaz, with interests of 50-60% in two of the production units) and to power generation capacity through *gas-to-power* (G2P) solutions. Through the integration of these operations, FOJE strengthens its presence across the entire energy value chain, targeting operational synergies between drilling services and the exploitation of natural resources. Completion of the transaction is expected on 31.08.2026, subject to obtaining the approvals of the competent authorities (including the National Agency for Mineral Resources, ANRM)

Further details are available **HERE**.

CONTRACT WITH S.N.G.N. ROMGAZ

On **21.04.2026**, FSV entered into a contract with S.N.G.N. Romgaz S.A. worth RON 180.7 million (excluding VAT), covering the operation of drilling rigs and related equipment for depths of between 4,000 and 4,500 metres. The contract has a term of 4 years from the date of signing. The transaction consolidates the long-standing commercial relationship between FOJE and Romgaz, one of the Company's anchor clients, and forms part of FOJE's strategy of securing recurring long-term contracts with major operators in the Romanian energy sector.

Further details are available **HERE**.

CONTRACT WITH OMV PETROM S.A.

On **22.05.2026**, FSV announced the conclusion of a contract with OMV Petrom S.A., with an estimated value of USD 24.6 million, for the provision of onshore drilling services using rigs with a minimum capacity of 350 MT static hookload. The contract provides for the use of the MND Bentec rig, followed by the introduction of a Drillmec rig under a phased operational scenario, and has a term of up to 48 months starting in June 2026. The transaction consolidates the commercial relationship between FOJE and OMV Petrom, one of the largest operators in the Romanian oil and gas sector, and forms part of the Company's strategy of securing recurring long-term contracts with relevant clients in the energy sector.

Further details are available **HERE**.

RESOLUTIONS OF THE OGMS & EGMS OF 26.05.2026

On **26.05.2026**, the Ordinary and Extraordinary General Meetings of Shareholders of FOJE were held. The legal and statutory quorum for the meetings was met on first convening.

The key items approved by the two meetings were:

(i) the approval of the financial statements for the 2025 financial year, together with the annual report prepared by the Board of Directors and the report of the External Financial Auditor;

(ii) the approval of the discharge from liability of the directors in respect of their activity during the 2025 financial year;

(iii) the approval of the Revenue and Expenditure Budget and of the Investment Programme for 2025;

(iv) the approval of the delegation to the Board of Directors of the power to approve financing granted to group/affiliated companies, up to a limit of 5% of net assets or of total revenue, as applicable;

(v) the approval of the delegation to the Board of Directors of the power to adopt decisions concerning the Company's shareholding in Serenity Development S.R.L., including the appointment and removal of its administrator;

(vi) the approval of the delegation to the Board of Directors of the power to approve the acquisition of shareholdings and investment/financing commitments up to a ceiling of RON 172.5 million.

Further details are available **HERE**.

PUBLICATION OF THE 2026 REVENUE AND EXPENDITURE BUDGET

On **04.06.2026**, the Company published its Revenue and Expenditure Budget for 2026, as approved by the Ordinary General Meeting of Shareholders. The budget reflects the Company's expectation of a significant improvement in operational and financial performance compared with the previous year, supported by the expansion of its contract portfolio, higher utilisation of its drilling rigs and the efficiency measures implemented at operational level. The 2026 estimates also take into account the full-year contribution of the projects launched in 2025, as well as the continuation of the Company's investment programme, intended to support the development of its operational capacity and sustainable long-term growth.

Further details are available **HERE**.

RESOLUTION OF THE EGMS OF 23.07.2026

On **23.07.2026**, the Extraordinary General Meeting of Shareholders of FOJE was held. The legal and statutory quorum for the meeting was met on first convening.

The key items approved by the meeting were:

(i) the approval of the delegation to the Board of Directors of the power to approve the measures required to implement the 2026 Investment Programme, including the acquisition and financing of drilling rigs and equipment, within a budget of EUR 35 million;

(ii) the approval of the ratification of Board of Directors Decision No. 1 dated 15.06.2026 concerning the arrangement of lease financing for the acquisition of the Rig Amazonia 1 drilling rig, and the empowerment of the Company's representatives to sign the related documentation;

(iii) the approval of the increase of the 2026 Investment Programme budget from EUR 35 million to EUR 45 million;

(iv) the approval of the delegation to the Board of Directors of the power to approve the measures required to implement the 2026 Investment Programme, including the acquisition and financing of drilling rigs and equipment, within the new budget of EUR 45 million.

Further details are available **HERE**.

TRANSACTION FOR THE TAKEOVER OF THE DRILLING BUSINESS OF TRANSGEX S.A.

On **06.08.2026**, the Company announced the conclusion of a transaction with Transgex S.A., worth EUR 9.5 million, for the takeover, on a going-concern basis, of the oil and gas drilling business associated with the Bentec 350 AC rig. The transaction covers the drilling rig, the related assets and equipment, the transfer of specialised personnel as at completion, as well as the transfer of the contracts concluded with S.N.G.N. Romgaz S.A. and OMV Petrom S.A., subject to obtaining the necessary contractual consents. Through this transaction, the Company aims to expand its operational capacity and strengthen its drilling business by integrating a rig already in operation, together with the associated personnel and commercial contracts. Completion of the transaction is conditional, among other things, upon obtaining the approvals of the Competition Council and of the Commission for the Examination of Foreign Direct Investments (CEISD), the contractual long-stop date envisaged for completion being 17.12.2026, subject to any extension agreed by the parties.

Further details are available **HERE**.

ANALYSIS OF FINANCIAL RESULTS

P&L ANALYSIS

In the first half of 2026, Foraj Sonde S.A. Videle recorded an 85% increase in operating revenue, from RON 85 million in H1 2025 to RON 157.2 million in H1 2026. This performance was driven mainly by the acceleration of the Depogaz project, supported by improved operational performance and by the deployment of additional drilling rigs from March onwards, as well as by the progress achieved in executing the other contracts in the portfolio. By the end of June, 18 of the 39 wells under the Depogaz project had been completed. In addition, operations on the Romgaz wells at Stăncești and Ghindari were successfully completed during the first semester of 2026.

At operational level, the Company generated a positive EBITDA of RON 19.6 million, compared with a negative EBITDA of RON 15 million in the corresponding period of the previous year, while the EBITDA margin improved from -17.6% to 12.5%. This reflects the higher volume of activity and the improvement in operational performance. The impact of the below-expectation utilisation of the automated Huisman rig, dedicated to the long-term contract with OMV Petrom, was offset by the acceleration of other contracts in the portfolio, as well as by the recognition of the revenue and costs associated with the mobilisation of the first high-capacity 350-tonne drilling rig operated by the Company. At the end of the first half of 2026, EBITDA remains in line with the annual target set out in the Revenue and Expenditure Budget for 2026.

The net result returned to positive territory, with the Company posting a net profit of RON 6.5 million in H1 2026, compared with a net loss of RON 24.1 million in H1 2025. This was driven mainly by the improvement in the operating result, which moved from a loss of RON 22.8 million to a profit of RON 13.7 million, as revenue grew faster than operating expenses. The positive impact of operational performance was partly offset by the increase in financial expenses, from RON 1.6 million to RON 6.8 million, as a result of the revaluation of euro-denominated loans and finance lease liabilities and of interest on the borrowings contracted in the first six months of the year.

The acceleration of operational activity, in particular under the Depogaz project, also led to an increase in the cost of subcontracted well services, including sectioning, hole-opening and other related operations. As a result, external services expenses rose by 81%, from RON 39.9 million to RON 72.4 million. The higher volume of activity was accompanied by improved well completion times, reflecting greater efficiency in operational execution.

In parallel, the Company continued to scale its organisation in order to support ongoing projects and prepare for future contracts. Personnel expenses increased by 53%, from RON 21.9 million to RON 33.6 million, as recruitment continued in both operational and support functions. At the same time, the Company continued to invest in developing its support functions, including through professional, legal, consultancy and audit services, as well as through digitalisation initiatives in areas such as human resources, procurement and reporting.

In June 2026, the Company recognised the acquisition of the Rig Amazonia drilling rig, with a capacity of 450 tonnes, in accordance with the investment programme approved for the current year. The acquisition was financed through a finance lease and, as at 30.06.2026, the investment is reflected in the Company's non-current assets and in the related financial liabilities.

Indicator	H1 2025	H1 2026	Δ %
Operating revenue	84,995,813	157,211,226	85%
EBITDA	(14,960,715)	19,662,618	N/A
EBITDA margin	(17.6%)	12.5 %	
Net result	(24,053,350)	6,492,444	N/A

BALANCE SHEET ANALYSIS

As at 30.06.2026, the financial position of Foraj Sonde S.A. Videle reflects the continued expansion of the Company's asset base and investment programme, alongside the increase in the volume of activity and in the financing contracted to support operational development.

Total assets increased by 28%, from RON 345.1 million as at 31.12.2025 to RON 443.2 million as at 30.06.2026, driven by growth in both non-current and current assets. Non-current assets rose by 22% to RON 316 million, mainly as a result of a 24% increase in tangible assets, to RON 312.3 million. This reflects the continuation of the Company's investment programme, including the acquisition in June of the Rig Amazonia drilling rig, with a capacity of 450 tonnes, purchased from the United States and financed through a finance lease with Raiffeisen Leasing. As at 30 June 2026, the investment in Rig Amazonia was recognised within the Company's non-current assets, under fixed assets under construction.

Current assets increased by 47%, from RON 86.4 million to RON 127.2 million, driven mainly by a 65% increase in receivables, to RON 89.2 million, in the context of the significant growth in the volume of activity in the first half of the year. At the same time, cash and bank balances doubled, from RON 10.7 million to RON 22 million at the end of H1 2026. Inventories decreased by 9%, to RON 15.6 million, as a result of maintaining strict control over their use in operations.

As regards the structure of liabilities, total liabilities increased by 53%, from RON 173.6 million to RON 265.3 million, mainly due to higher financing contracted to support the investment programme. Current liabilities rose by 33%, to RON 143.7 million, while non-current liabilities advanced by 85%, to RON 121.6 million. Short-term bank loans increased from RON 17.8 million to RON 94.2 million. The change in the level of indebtedness also reflects the lease financing of the Rig Amazonia acquisition, the financing granted by Raiffeisen Leasing amounting to approximately EUR 10 million, as well as the refinancing of a Upet drilling rig worth EUR 3 million with UniCredit Leasing. At the same time, trade payables recorded a moderate increase of 9%, to RON 43.2 million, in the context of the intensified level of operations.

Equity increased by 4%, from RON 171.4 million to RON 177.9 million, supported by the net profit of RON 6.5 million recorded in the first half of 2026. Revaluation reserves remained at RON 144.8 million, while share capital and legal reserves remained unchanged from the end of 2025. Therefore, the change in equity reflects the Company's return to profit in the first half of 2026, while maintaining a solid capital base to support its development plans.

BALANCE SHEET INDICATORS (RON)	31.12.2025	30.06.2026	Δ %
Non-current assets	258,688,466	315,997,568	22%
Current assets	86,388,424	127,217,070	47%
Prepaid expenses	359,576	401,442	12%
TOTAL ASSETS	**345,076,890**	**443,214,638**	**28%**
Current liabilities	108,028,934	143,695,864	33%
Non-current liabilities	65,597,827	121,576,201	85%
Equity	171,443,407	177,935,851	4%
TOTAL EQUITY AND LIABILITIES	**345,076,890**	**443,214,638**	**28%**

PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT INDICATORS (RON)	H1 2025	H1 2026	Δ %
OPERATING REVENUE			
Operating revenue	**84,995,813**	**157,211,226**	**85%**
Turnover	84,979,869	157,949,210	86%
Change in work in progress (net)	0	(1,500,801)	N/A
Other operating revenue	15,944	762,817	4684%
OPERATING EXPENSES			
Operating expenses	**107,798,707**	**143,486,488**	**33%**
Raw materials and consumables	30,714,665	13,307,986	-57%
Energy and water	254,110	646,161	154%
Other material expenses	0	563,841	100%
Personnel expenses	21,927,094	33,648,043	53%
Depreciation, amortisation and value adjustments	7,842,179	5,468,153	-30%
Other operating expenses	23,460	11,055,756	47026%
External services	39,899,283	72,352,347	81%
Royalties	2,566,681	5,578,153	117%
Other taxes, duties and similar payments	282,715	866,048	206%
Other expenses / adjustments	4,288,520	0	-100%
Operating result	**(22,802,894)**	**13,724,738**	**N/A**
Financial income	387,022	179,931	-54%
Financial expenses	1,637,478	6,789,952	315%
Financial result	(1,250,456)	(6,610,021)	429%
Total revenue	**85,382,835**	**157,391,157**	**84%**
Total expenses	**109,436,185**	**150,276,440**	**37%**
Gross result	**(24,053,350)**	**7,114,717**	**N/A**
Income tax / other taxes	0	622,273	100%
Net result	**(24,053,350)**	**6,492,444**	**N/A**

BALANCE SHEET

BALANCE SHEET INDICATORS (RON)	31.12.2025	30.06.2026	Δ %
ASSETS			
Non-current assets	**258,688,466**	**315,997,568**	**22%**
Intangible assets	3,424,372	3,593,577	5%
Tangible assets	251,629,363	312,266,355	24%
Financial assets	3,634,731	137,636	-96%
Current assets	**86,388,424**	**127,217,070**	**47%**
Inventories	17,235,799	15,609,191	-9%
Receivables	54,087,408	89,213,494	65%
Other receivables	4,006,154	0	-100%
Cash and cash equivalents	10,699,487	21,992,943	106%
Prepaid expenses	359,576	401,442	12%
Total assets	**345,076,890**	**443,214,638**	**28%**
EQUITY AND LIABILITIES			
Current liabilities	**108,028,934**	**143,695,864**	**33%**
Short-term bank loans	17,819,727	94,215,610	429%
Advances received on orders	7,359,822	11,757	-100%
Trade payables	39,776,643	43,245,550	9%
Dividends payable	29,454,182	728,223	-98%
Other liabilities	13,618,560	5,494,724	-60%
Non-current liabilities	**65,597,827**	**121,576,201**	**85%**
Total liabilities	**173,626,761**	**265,272,065**	**53%**
Provisions	6,722	6,722	0%
Equity	**171,443,407**	**177,935,851**	**4%**
Subscribed and paid-up share capital	28,316,565	28,316,565	0%
Revaluation reserves	144,805,928	144,805,928	0%
Legal reserves	5,147,908	5,147,908	0%
Retained earnings	2,682,730	(6,826,994)	N/A
Result for the period	(9,509,724)	6,492,444	N/A
Total equity and liabilities	**345,076,890**	**443,214,638**	**28%**

CASH FLOW

CASH FLOWS FROM OPERATING ACTIVITIES	31.12.2025	30.06.2026
PROFIT BEFORE TAX	**-4,831,386**	**7,114,717**
Adjustments for:		
Depreciation and amortisation of intangible and tangible assets	18,662,251	5,468,153
Expenses/income relating to provisions for risks and charges	-800,000	0
Non-cash movements - investment grants	-33,500	0
Adjustments for foreign exchange losses/gains		3,685,819
Interest expenses	3,067,670	2,924,202
Interest income	-288,272	0
CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	**15,776,763**	**19,192,891**
Increases/decreases in receivables	-17,447,918	-31,119,932
Increases/decreases in prepaid expenses	-359,576	-41,866
Increases/decreases in inventories	-4,389,706	1,626,608
Increases/decreases in liabilities	51,182,241	-12,002,994
Financial expenses (incl. exchange rate movements)	-3,067,670	-6,789,952
Financial income (incl. exchange rate movements)	288,272	179,931
Corporate income tax paid	-772,026	-622,273
NET CASH FROM OPERATING ACTIVITIES	**41,180,380**	**11,960,596**
Cash flows from investing activities		
Acquisitions of non-current assets	-42,692,054	-66,274,350
Loans granted/repaid and financial assets	-3,702,429	3,497,095
Proceeds from the sale of tangible assets	33,500	
NET CASH FROM INVESTING ACTIVITIES	**-46,361,884**	**-62,777,255**
Cash flows from financing activities		
Increase/decrease in credit line utilisation	4,041,944	76,395,883
Drawdown/repayment of long-term borrowings	13,777,783	55,978,373
Collection/payment of long-term loans granted	-10,570,418	0
Dividends paid	-8,253,423	-28,725,959
NET CASH FROM FINANCING ACTIVITIES	**-1,004,114**	**103,648,298**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**-6,185,618**	**11,293,456**
Cash and cash equivalents at the beginning of the financial period	**16,885,105**	**10,699,487**
Cash and cash equivalents at the end of the financial period	**10,699,487**	**21,992,943**

KEY FINANCIAL INDICATORS

Current ratio as at 30.06.2026

$$\frac{\text{Current assets}}{\text{Current liabilities}} \quad \frac{127{,}217{,}070}{143{,}695{,}864} = 0.89$$

Gearing ratio as at 30.06.2026

$$\frac{\text{Borrowed capital}}{\text{Equity}} \times 100 \quad \frac{121{,}576{,}201}{177{,}935{,}851} \times 100 = 68\%$$

$$\frac{\text{Borrowed capital}}{\text{Employed capital}} \times 100 \quad \frac{121{,}576{,}201}{299{,}512{,}052} \times 100 = 41\%$$

Borrowed capital = borrowings with a maturity of more than 1 year
Employed capital = borrowed capital + equity

Non-current asset turnover as at 30.06.2026

$$\frac{\text{Turnover}}{\text{Non-current assets}} \quad \frac{157{,}949{,}210}{315{,}997{,}568} = 0.50$$

2026 OUTLOOK

On 26.05.2026, the Company's shareholders approved, in the Ordinary General Meeting, the Revenue and Expenditure Budget for 2026, in the form presented below.

Indicator	2025 Audited	2026 Budgeted	Δ %
TOTAL REVENUE, of which:	**258,779,880**	**332,044,000**	**28%**
Operating revenue, of which:	258,246,545	332,044,000	29%
Revenue from core activities	256,679,120	327,870,000	28%
Revenue from other activities	1,567,425	4,174,000	166%
TOTAL EXPENSES, of which:	**263,611,266**	**282,982,300**	**7%**
Operating expenses	258,635,095	274,160,500	6%
Financial expenses	4,976,171	8,821,800	77%
GROSS RESULT	**(4,831,386)**	**49,061,700**	**N/A**
EBIT	**1,043,779**	**57,883,500**	**5446%**
EBITDA	**19,706,028**	**70,022,500**	**255%**

In light of the results recorded by the Company in the first half of 2026, management is maintaining, at this stage, the 2026 budget as previously presented. Full-year results remain dependent on a number of variables, including the dynamics of the energy market in Romania and internationally, price and demand developments, as well as the general macroeconomic environment. Management is closely monitoring these factors and will assess whether a revision of the financial estimates is warranted, based on the information available in the second half of this year.

RISKS

KEY PERSON RISK

Operating in a specialised technical industry characterised by high qualification and operational experience requirements, the Issuer depends on the retention of key personnel, including its management team, drilling engineers and qualified technical staff.

There is a risk that the Issuer may be unable to retain essential personnel or to attract qualified specialists, in the context of the labour shortage in the energy sector and the high staff mobility within the industry.

The loss of key personnel could adversely affect the Company's operational capacity, its client relationships and its financial results.

In order to mitigate this risk, the Company is pursuing the implementation of retention policies, professional training programmes, performance-based incentive schemes, as well as Stock Option Plan programmes.

COMPETITION RISK

The Issuer operates in a competitive sector, in which it competes both with local operators and with international companies specialised in drilling and oilfield services.

Competition may be influenced by factors such as competitors' technical capacity, the level of investment in modern equipment, existing commercial relationships, as well as the ability to offer integrated services or advantageous commercial terms.

The entry of new competitors into the market or the strengthening of the position of existing ones may lead to increased pressure on rates and to lower profit margins. Clients may also renegotiate existing contracts or opt for alternative suppliers.

These developments could have an adverse impact on the Issuer's revenue and profitability.

OPERATIONAL RISK (DRILLING AND ENERGY SERVICES)

The Issuer's business involves complex drilling and well intervention operations, which are exposed to specific technical and operational risks, including unpredictable geological conditions, technical incidents, equipment failures or human error.

These risks may result in delays in the execution of works, higher operating costs, contractual penalties or, in extreme cases, safety or environmental incidents.

In addition, the complexity of projects and variable working conditions may affect operational efficiency and equipment utilisation levels. Should these risks materialise, they could have an adverse impact on the Issuer's business, operating results and reputation.

Given that operations are carried out predominantly on a 24/7 basis, the Company invests in stocks of critical equipment and spare parts in order to limit technical operational risks.

TECHNOLOGY AND EQUIPMENT RISK

The drilling services industry is characterised by the need to use high-performance equipment compliant with international standards, as well as by the need for its continuous modernisation.

There is a risk that the equipment used by the Issuer may require significant additional investment in order to remain competitive or to comply with clients' technical requirements and applicable regulations.

In addition, the emergence of new technologies may increase the pressure on companies in this sector to rapidly adapt their technical capabilities.

Should the Issuer fail to maintain an adequate level of modernisation of its fleet and technical infrastructure, its competitive position and its ability to win contracts could be adversely affected.

RISK ASSOCIATED WITH THE BUSINESS DEVELOPMENT PLAN

The Issuer is pursuing a development strategy that includes expansion into new business lines, such as workover services, well abandonment and geothermal drilling projects, as well as expansion into new markets. There is a risk that these strategic directions may not deliver the anticipated results, whether due to unfavourable market conditions or as a result of operational or financial difficulties.

In addition, the implementation of investment projects may involve higher costs or longer payback periods than initially estimated. These factors could have an adverse impact on financial performance and on the Issuer's ability to achieve its strategic objectives.

CONTRACT EXECUTION RISK

The Issuer's business is carried out under complex contracts, which require compliance with strict deadlines, specific technical requirements and performance indicators. There is a risk that certain projects may be affected by delays, changes in technical requirements, implementation difficulties or external factors beyond the Issuer's control.

Such situations may result in additional costs, contractual penalties or damage to commercial relationships with clients. In the case of large-scale projects, these risks may have a material impact on the Company's operating results.

ECONOMIC AND INDUSTRY RISK

The Issuer's business is closely correlated with developments in the oil and gas sector, as well as with the level of investment in exploration and production.

A reduction in investment in the energy sector, driven by economic or geopolitical factors, may lead to lower demand for drilling services.

In addition, volatility in energy markets or changes in the structure of demand may affect the Issuer's level of activity and profitability

RISK ASSOCIATED WITH MEETING FORECASTS

Although they factor in multiple risk factors, the financial forecasts are based on the assumption that the business development plan is met. The Company intends to issue periodic forecasts regarding the evolution of its main economic and financial indicators, in order to give potential investors and the capital market a true and complete picture of its current situation and of the future plans it envisages, as well as current reports setting out a comparison between forecast figures and actual results.

The forecasts will be prepared on a prudent basis; there is nevertheless a risk that they may not be met, as a result of economic, technological or sector developments that could not be anticipated at the time they were prepared.

ECONOMIC, POLITICAL AND MACROECONOMIC RISK

The Issuer's business and revenue may be affected by general economic conditions in Romania and in the other markets in which the Company operates. An economic slowdown or recession could have adverse effects on the Company's profitability and operations. In addition, political or geopolitical instability in the region, including the military conflict in Ukraine and its potential economic consequences, may generate currency fluctuations, increases in interest rates or a reduction in investment in certain economic sectors. These developments could have an adverse effect on the Company's business, operating results and financial position.

TAX, LEGISLATIVE AND REGULATORY RISK

The Issuer's day-to-day business, as well as its development plans, may be affected by potential legislative or tax changes. In particular, changes to labour legislation, changes to taxes and duties (e.g. the additional turnover tax) or the introduction of new regulations on data protection, artificial intelligence or non-financial reporting could affect the Company's operating costs or business model.

OIL AND GAS PRICE RISK

The Issuer's business is closely correlated with the level of investment made by companies in the oil and gas sector, which is in turn directly influenced by developments in international crude oil and natural gas prices.

The prices of these resources are highly volatile, being influenced by multiple factors, including geopolitical developments, decisions of international organisations (such as OPEC), global energy demand, the energy transition, as well as general economic conditions.

In the event of a significant and sustained decline in oil and gas prices, upstream companies may reduce or postpone their exploration, development and production investment programmes. This may lead to lower demand for the drilling and well intervention services provided by the Issuer.

As a result, the Issuer could experience a reduction in its volume of activity, a decline in drilling rig utilisation and, consequently, lower revenue and profitability.

In addition, in a declining market, competitive pressure may increase, which could lead to the renegotiation of existing contracts or to the acceptance of less favourable commercial terms.

RISK OF DEPENDENCE ON SIGNIFICANT CLIENTS

The Issuer's business is concentrated around a limited number of major clients in the energy sector, with which the Company performs drilling and related services contracts, including medium- and long-term contracts.

This concentration of the client portfolio gives rise to a commercial dependence risk, in the sense that the loss of one or more significant clients, a reduction in the volume of contracted works or a change in commercial terms could have a direct and material impact on the Issuer's revenue.

In addition, the Issuer's negotiating position may be influenced by the size and financial strength of these clients, which may result in pressure on rates, payment terms or other contractual conditions.

Should the Issuer fail to diversify its client base or to offset the loss of major contracts by securing new projects, this risk could adversely affect the Company's business, operating results and financial position.

In order to mitigate this risk, the Issuer is pursuing the expansion of its client portfolio and the diversification of the types of services it offers, including through the development of new business lines, as well as the obtaining of international certifications supporting the expansion of its activity outside Romania.

ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY RISK

The Issuer's business involves drilling operations and related services, which inherently carry occupational health and safety risks, as well as environmental risks.

These risks include, without limitation, workplace accidents, technical incidents, fluid or hydrocarbon spills, soil or water pollution, as well as other events that may have an impact on the environment and on local communities.

The occurrence of such incidents may lead to sanctions from the competent authorities, significant remediation costs, interruption of operations, as well as damage to the Issuer's reputation.

In addition, the legislative and regulatory framework on environmental protection is continuously evolving and compliance requirements may become stricter, which may generate additional costs for the Issuer.

In order to manage these risks, the Issuer implements strict occupational health and safety policies and procedures, runs training programmes for its employees and continuously monitors the compliance of its operations with the applicable standards

LIQUIDITY RISK

The Issuer is exposed to liquidity risk, being the risk that it may not have sufficient financial resources to meet its payment obligations as they fall due.

This risk may arise from timing gaps between the collection of trade receivables and payments to suppliers, employees or financial institutions, as well as from unforeseen financial obligations.

Given the nature of the Issuer's business, which involves high-value contracts and complex operating cycles, delays in collecting receivables or fluctuations in cash flows may temporarily affect the availability of liquidity.

Should this risk materialise, the Issuer could encounter difficulties in financing its current operations or in supporting its planned investments.

In order to manage liquidity risk, the Company constantly monitors its cash flows, maintains relationships with financial institutions, aligns supplier payment terms with client collection terms and uses credit facilities to cover its short-term funding requirements.

INDEBTEDNESS RISK

The Issuer uses credit facilities to finance its operating activity and investment programmes, including for the modernisation of equipment and the expansion of its operational capacity. These financing agreements may include certain conditions and financial covenants that must be complied with throughout their term.

Should the Issuer fail to comply with these conditions, or in the event of a deterioration in its financial performance, lenders may demand early repayment of the loans or impose additional restrictions. In addition, the level of indebtedness may limit the Issuer's ability to access further financing or may lead to higher financing costs.

Should the Issuer fail to generate sufficient cash flows to cover its financial obligations, this could have an adverse impact on its business and financial position.

INTEREST RATE AND FUNDING SOURCES RISK

Part of the financing contracted by the Issuer may bear floating interest rates, which exposes the Company to the risk of rising interest rates. Higher interest rates may lead to higher financing costs and, consequently, to lower profitability for the Issuer.

In addition, access to financing may be influenced by general financial market conditions, by the economic environment and by the Issuer's financial performance. Should these conditions deteriorate, the Issuer could encounter difficulties in obtaining additional financing or in refinancing existing facilities on favourable commercial terms.

COUNTERPARTY RISK

The Issuer is exposed to counterparty risk, being the risk that its contractual partners, including clients or financial institutions, may fail to meet their obligations. This risk is particularly relevant in respect of trade receivables, where delays in payment or non-payment of amounts due may affect the Issuer's cash flows.

Counterparty risk may also arise in relation to suppliers or subcontractors, where these fail to meet their contractual obligations, which may affect the performance of projects. In order to mitigate this risk, the Issuer assesses the creditworthiness of its contractual partners and seeks to diversify its commercial relationships.

DECLARATION OF THE MANAGEMENT

Bucharest, 31.08.2026

The undersigned, Adrian Crețoiu, in my capacity as Chairman of the Board of Directors of Foraj Sonde S.A. Videle, confirm that the preliminary unaudited standalone financial statements for the first six months of 2026 give a true and fair view of the assets, liabilities, financial position and financial performance of Foraj Sonde S.A. Videle, in accordance with the applicable accounting standards, and that the Management Report fairly presents the development and performance of the Company's business, as well as the main events that occurred during the first six months of 2026 and their impact on the Company's financial statements.

ADRIAN CREȚOIU

Chairman of the Board of Directors