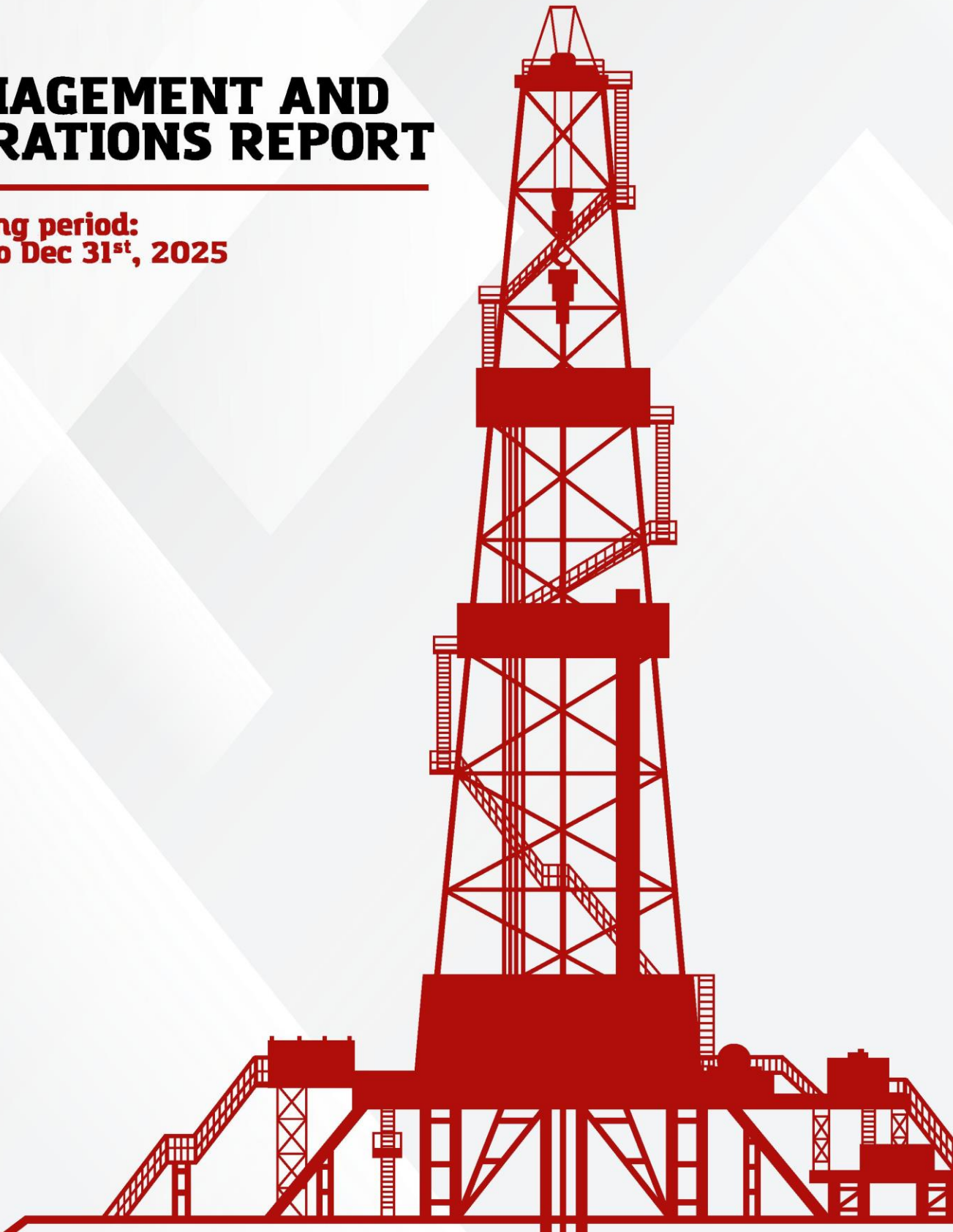




BUROVA TECHNIKA
OILFIELD SERVICES COMPANY

MANAGEMENT AND OPERATIONS REPORT

**Reporting period:
Jan 1st to Dec 31st, 2025**



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Address of the Burova Technika Director General

Dear colleagues and partners,

LLC Burova Technika is a modern Ukrainian oilfield service company. Even in harsh realities of 2025 we continued to provide drilling companies and petroleum production operators with the following:

- development and implementation of design and estimate documentation;
- materials and equipment for the implementation of projects on construction and workover of oil and gas wells;

- full range of quality services for sidetracking, directional and horizontal drilling;

- regular and complex technological operations for workover and inflow stimulation where we actively use advanced coiled tubing equipment and technologies.

Our strategy stays the same: we want to maximize hydrocarbon production for our customers.

For the fourth year now, we have been working under martial law, which requires not merely adaptation, but high operational efficiency and strategic resilience. The oil and gas industry remains the foundation of the economy, and our duty is not just to hold the line, but to lay the groundwork for Ukraine's future energy breakthrough.

Last year proved that no crisis could break those who have a clear goal. Our goal is to turn complex geological and technological challenges into solid barrels of oil and cubic meters of gas for Ukraine's oil and gas producers.

Every successful project is the result of our operational flexibility and our ability to stay one step ahead. Every day our engineers prove their professionalism onsite and show exceptional ability to stay atop of things, overcoming crises.

Thank you for your trust. We hope that our shared experience and the results of 2025 will serve as a reliable foundation for our continued cooperation.

ABOUT THE COMPANY

GENERAL INFORMATION

Burova Technika was established in 2000 on the initiative of a group of specialists well versed in well drilling practices and technologies, and representatives of business structures interested in bringing innovations into petroleum drilling and workover.

We provide drilling and oil and gas companies with a full package of design and estimate project documentation, as well as a wide range of high-quality services, materials and equipment for drilling and workover of oil and gas wells. We restore hydrocarbon production by sidetracking and actively use state-of-art coiled tubing equipment and technologies.

To improve our competitiveness in the oil and gas market, the company has implemented and maintains quality management, environmental management, and occupational health and safety systems.

We engage experienced team and have all the relevant permits and licenses, equipment, tools and operational facilities. That allows us to:

- Manufacture, repair and redress special equipment and tools (coiled tubing equipment, downhole filter screens, etc.);
- Repair and redress of transport vehicles, lifting devices, pumps and compressors, on-site accommodation trailers and field labs;
- Store, test and maintain directional drilling equipment in stationary MWD lab;
- conduct a range of studies and tests in state-of-art stationary and field laboratories to choose the best formulations and control parameters of drilling muds and special fluids, including well stimulation fluids, and especially for directional and horizontal drilling and sidetracking;
- Supply chemicals and materials for muds and special fluids including supply of ready to use muds on rental basis;
- Develop regulatory documents related to technologies, equipment, and safety for the oil and gas industry in accordance with the current legislation of Ukraine.

OUR SERVICES



WELL CONSTRUCTION PROJECTS

Development of design and estimate documents for the construction of oil and gas wells with various degrees of complexity



DIRECTIONAL DRILLING

Planning and carrying out projects for drilling of directional and horizontal wells and sidetracking



DRILLING MUDS AND SPECIAL FLUIDS

Working on the best formulations and cleaning solutions, provision of materials and chemicals, rental of muds, engineering support (control) during drilling of directional and horizontal wells and sidetracking



WELL WORKOVER AND COILED TUBING OPERATIONS

Provision of services using state-of-art coiled tubing equipment and technologies



INTEGRATED PROJECT MANAGEMENT

Full range of services in the capacity of general contractor for drilling and workover of oil and gas wells

MISSION

Working on tech-heavy projects in Ukrainian oil and gas fields

VISION

Success is modern technologies boosted by vast experience

VALUES



TEAM

Only teamwork will ensure that we make it to our goals. Our efficiency depends on each of the company's 193 specialists

PROFESSIONALISM



All employees are responsible and hardworking professionals with relevant knowledge and experience, striving to provide the best quality services



DEVELOPMENT

Skill improvement, continuous professional development, readiness to change, openness to innovation, creative thinking, breaking away from outdated approaches,

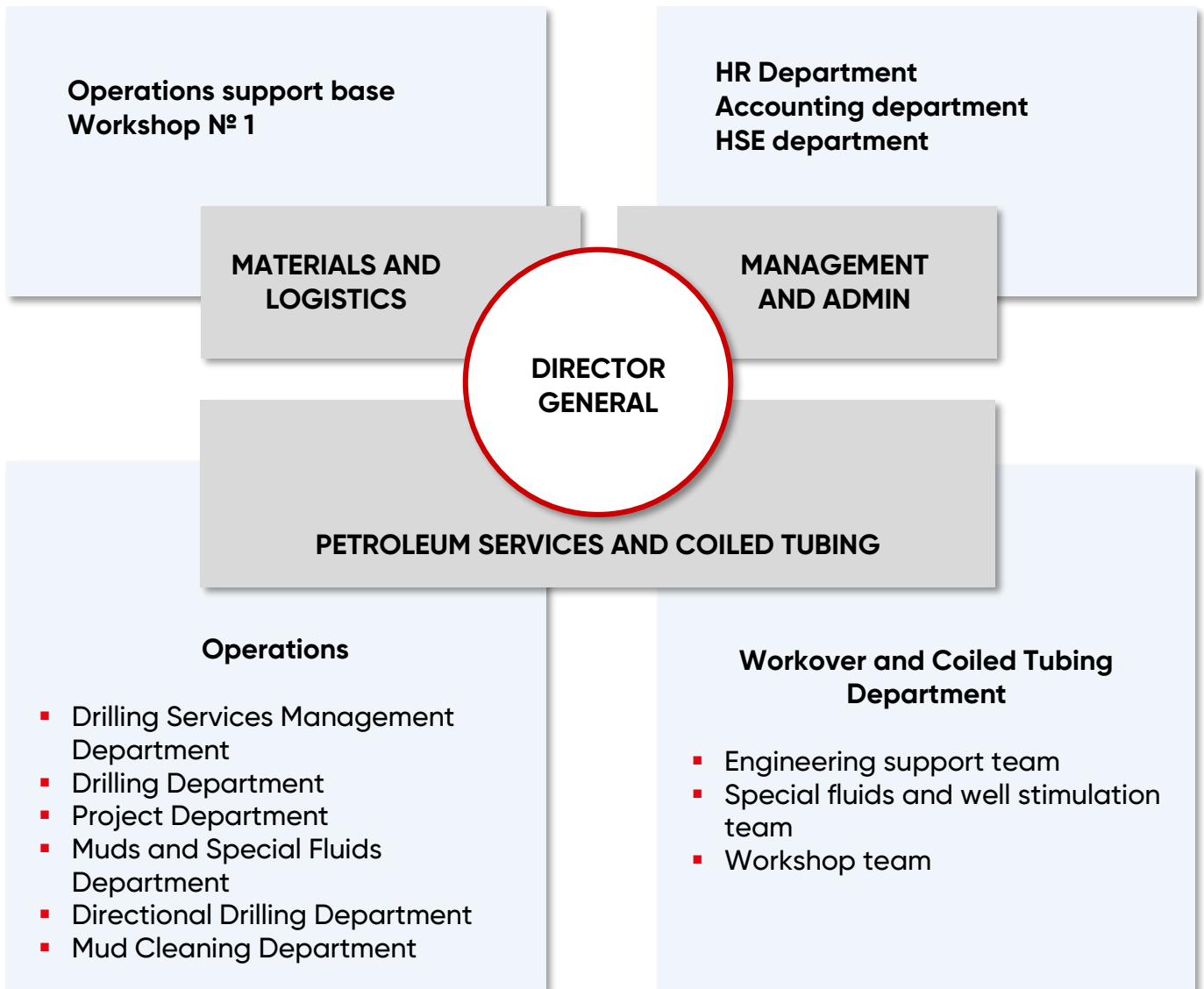


PARTNERSHIP

Only in cooperation with domestic and foreign partner companies and through the use of state-of-art technologies we are able to solve the most complex problems and achieve the best results in the petroleum industry



LEADERSHIP AND STRUCTURE



KEY EVENTS AND ACHIEVEMENTS IN THE REPORTING PERIOD

1

Obtaining the Choice of the Country 2025 Assessment Appraisal and the right to use the Choice of the Country 2025 marking for unlimited period of time

2

Participation in the XII International Oil and Gas Conference Norfolk NCC on Coiled Tubing, Hydraulic Fracturing, Drilling services, Geology and geophysics (Lviv, May 29 – 30, 2025)

3

Participation in the IX International Kyiv conference by Norfolk NCC on Petroleum Strategies for Ukraine and The Green Transition. Developing Resources, Upgrading for Service Companies. Drilling Equipment, Services and Modernization. Ecology and Safety (Kyiv, October 14 – 15, 2025)

4

Participation in International Trade Fair OILGASEXPO – 2025 (Kyiv, October 14 – 15, 2025)

5

6 engineers had taken training under the IWCF certification programme on Well Control for Workover Operations

6

4 engineers had taken training under the IWCF certification programme on Basics of Oil and Gas Drilling and Production Operations

7

One engineer had taken training under the IWCF certification programme on Well Control During Drilling

PERFORMANCE OUTCOMES

OPERATIONS

In 2025, the company's specialists carried out the following jobs:

- development and supervision of design and estimate documentation (the project department completed and handed over to the customers 24 well projects);
- use of drilling muds and special fluids: mud services for drilling and workover operations provided at 11 wells, 3500 m³ of muds, killing fluids and completion fluids prepared for workover and drilling to 5820 m);
- directional drilling (services provided for 4 wells, 6762 m drilled in total), MWD system leased for 6 wells, including engineering support (for directional drilling and sidetracking);
- provision of mud mixing and cleaning equipment as well as equipment for special fluids;
- workover jobs (sand jet perforation, installation of cement plugs, completion, circulation etc) using three coiled tubing units (total 51 jobs performed).

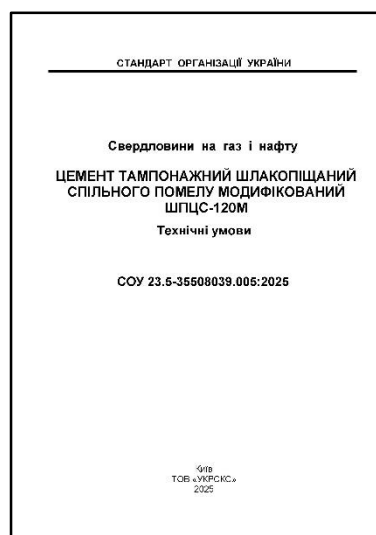
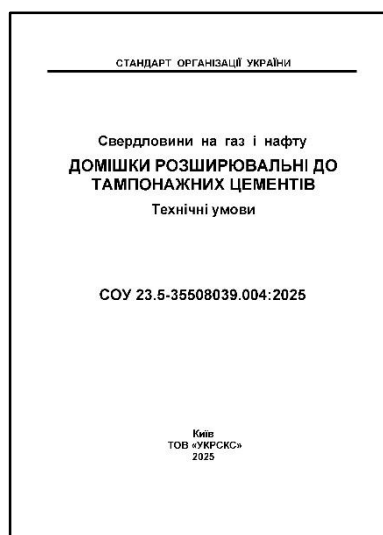
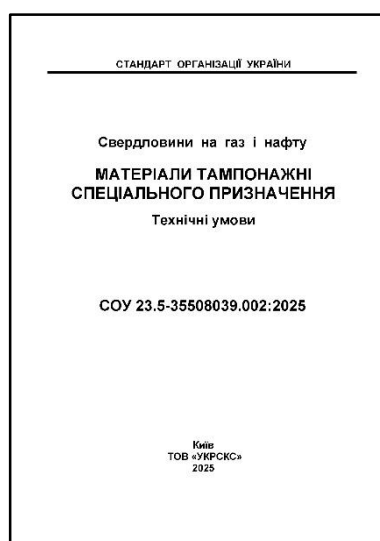
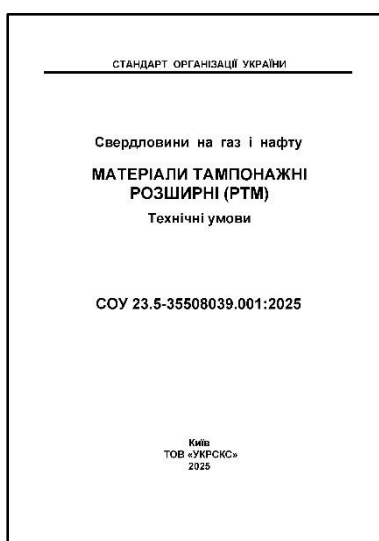
Contracts, additional agreements and orders are executed with the following companies such as Gals-K LTD, JV Agreement dtd 19.01.1999 №35/4, PrJSC MC Ukrnaftoburinnya, Ukrnaftagazservis, PrJSC Naftogazvydobuvannya, OGF LLC, Oil And Gas Action LLC, Oil And Gas Geoexploring LLC, Kosul LLC, JSC Ukgasvydobuvannya, UKRSKS LLC, PJSC Ukrnafta, ALFA GAS LLC, JV Poltava Petroleum Company, PE Ushkalov EV, Zholet Invest Group LLC, DC UKRBURSERVIS LLC, Skhidny Geologichny Soyuz LLC, LLC Navigator Invest, Sirius-1 LLC, Tacrom Ukraine LLC, namely:

97	Service contracts (including subcontracts)
14	Development of project documentation
57	Procurement and supply
112	Operational and admin support

RESEARCH AND ACADEMIC ACHIEVEMENTS

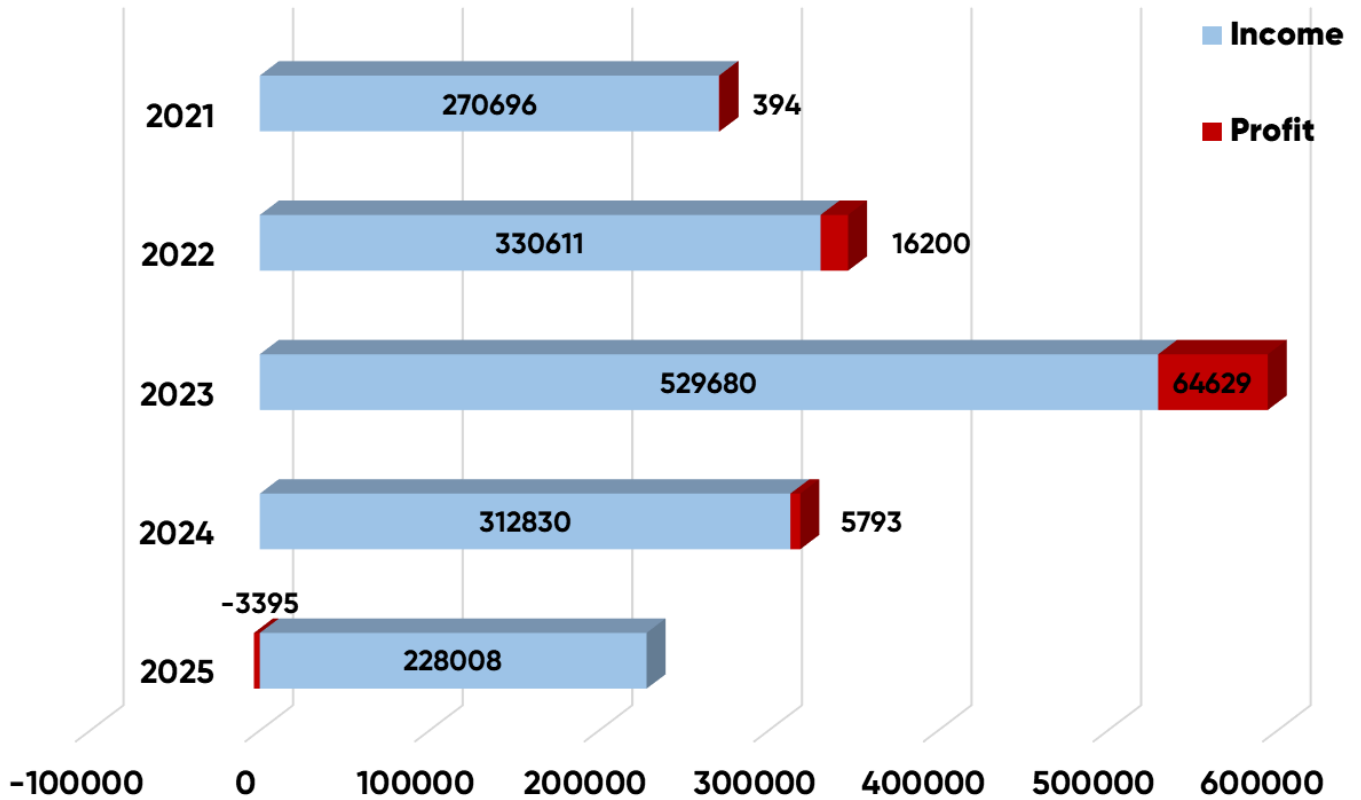
The company's specialists have developed the following:

- Company Standard 23.5-35508039.001:2025. Gas and oil wells. Cementing materials (expandable). Technical specifications (COY 23.5-35508039.001:2025)
- Company Standard 23.5-35508039.002:2025. Gas and oil wells. Special-purpose cementing materials. Technical specifications (COY 23.5-35508039.002:2025)
- Company Standard 23.5-35508039.003:2025. Gas and oil wells. Modified cementing materials. Technical specifications (COY 23.5-35508039.003:2025)
- Company Standard 23.5-35508039.004:2025. Gas and oil wells. Expandable additives for cements. Technical specifications (COY 23.5-35508039.004:2025)
- Company Standard Gas and oil wells. Modified slag-sand cement ШПЦС-120М (mixed grind). Technical specifications (COY 23.5-35508039.005:2025)



FINANCIAL ANALYSIS

Financial performance
in 2021 – 2025, thousands hryvnias, without VAT



The year 2025 was unprofitable for our company and saw a decline in financial results, which is undoubtedly due to the martial law and decrease in orders from state-owned companies like Naftogaz and privately owned producers as well.

OCCUPATIONAL HEALTH AND SAFETY

We are fully conscious of the responsibility for the safety of the life and health of the company's employees, the importance of industrial hygiene and safe work. Therefore the company has implemented and maintains the Occupational Health and Safety Management System (ISO 45001:2019) as well as established policy for occupational health and safety.

PRINCIPLES

- Full responsibility of director general and heads of departments for creating safe and healthy working environment
- Personal responsibility of the heads of all departments and immediate performers of work for compliance with labour protection requirements
- Priority of employees' life and health
- Personal responsibility of each employee for their own safety

RESPONSIBILITIES

- Compliance with the requirements of national legislation and applicable health and safety regulations
- Continuous improvement of occupational health and safety
- Implementing the package of preemptive measures to improve working environment, aimed at preventing occupational injuries
- Creating accessible, efficient and coordinated system of mental health care for employees



GOALS AND OBJECTIVES

- Planning and implementation of measures aimed at preventing occupational injuries and diseases
- Identification of hazardous and harmful work factors
- Analysis of the company's fire safety and occupational health documentation for compliance with the requirements of national legislation
- Assessment of the safety and technical condition of equipment, machinery, mechanisms, and evaluation of personnel performance
- Continuous training and testing of knowledge on occupational health and fire safety to ensure awareness of the assigned responsibilities
- Consideration of proposals from employees and other stakeholders on occupational health and safety measures
- Providing employees with special clothing, footwear and personal protective equipment
- Informing employees about working conditions at their workplaces, health risks, and measures to protect from exposure to harmful and dangerous work factors
 - Provision of sanitary conditions and amenities
- Conducting mandatory preliminary and regular medical checkups for employees
- Allocation of organizational, material, financial and human resources to ensure the functioning of health and safety management systems and implementation of labour protection measures
- Implementing policy or plan to protect and promote the mental health of employees in the workplace

ENVIRONMENTAL PROTECTION

Environmental protection is one of the factors that contributes to safe working conditions. The company has implemented and maintains the Environmental Management System (ISO 14001:2015) as well as established environmental policy that sets out the principles of the company's environmental activities.

ENVIRONMENTAL POLICY

- Minimizing the negative impact on the environment by reducing the amount of waste generated as well as cutting down on use of chemicals and materials during provision of services in job-efficient way
- Continuous management of environmental aspects of the company's activities and prevention of emergencies that may have environmental consequences
- Compliance with environmental legislation
- Mandatory inclusion of environmental factors in the development of procurement policies for technologies, materials and equipment, performance of works and provision of services
- Giving preference to local manufacturers and goods manufactured in accordance with environmental sustainability principles
- Continuous improvement of environmental management systems by setting and implementing environmental goals and objectives



ENVIRONMENTAL ASPECTS

- Release of chemicals into the environment during transportation, loading, unloading, use and storage
- Pollution during the preparation and use of acid solutions
- Pollution in the process of repair, technical maintenance and painting of equipment
- Waste generation: solid waste, ferrous waste, lead battery scrap, waste paper, used or damaged car tyres, drilling waste (cuttings)

GOALS AND OBJECTIVES

- Preventing the negative impact of job factors on employees
- Ensuring sanitary and hygienic standards and microclimate at workplaces
- Reducing waste generation
- Raising the level of environmental culture, awareness and concern for environmental issues
- Waste management reporting; environmental tax



SOCIAL SECURITY AND HR POLICY

Social policy is one of the important elements of company's operations. It is a system of interrelated measures aimed at creating favourable conditions for the creation and development of the potential of company's employees through their self-realisation, self-development, self-improvement, and the fulfilment of social needs.

Social protection of employees is among the company priorities.

The company has a collective labour contract that guarantees compliance with the current labour legislation during hiring process and while in employment, maintaining the proper level of remuneration and the scope of social guarantees, benefits and compensations.

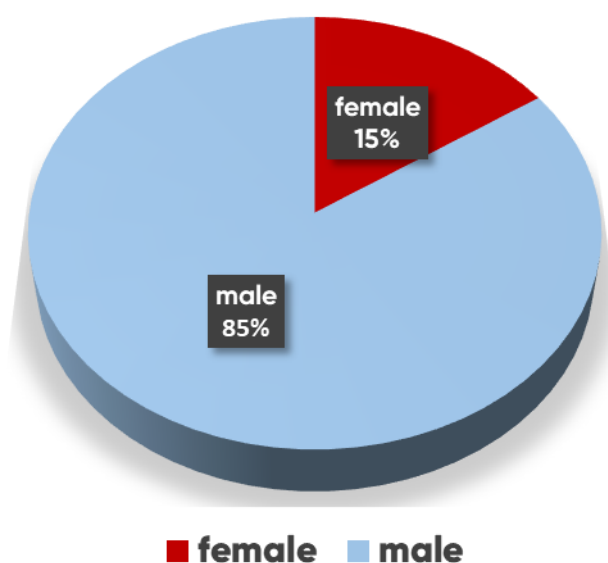
The collective labour contract provides for financial assistance to employees upon marriage, birth of children, medical treatment, and in the event of the death of relatives. Employees also receive cash bonuses for their anniversaries.

Most employees are insured against accidents at the company's expense.

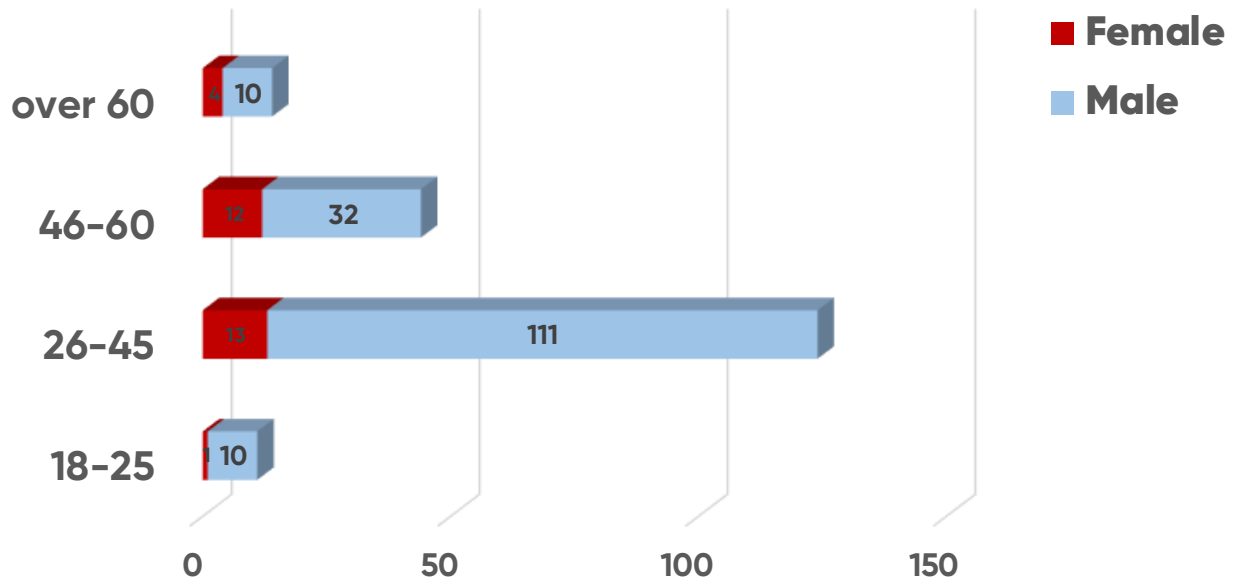
The working system of financial incentives for employees has been created and implemented.

As of 31 December 2025, the number of employees was 193 (163 male/30 female). The average annual number of employees was 156.

Gender balance of employees

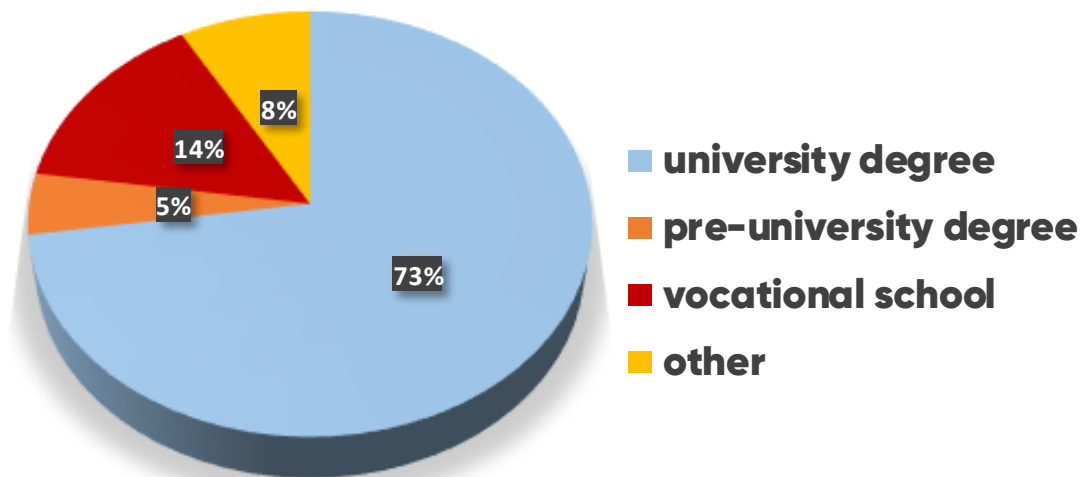


Age balance



Management (at different levels): 31, which is 15% of the total number of employees; 23 male/8 female (75%/25%).

The majority are people in the most economically and socially active age group of 26-45 years: 124 people (64%, 111 male/13 female).



Education balance

The company continuously provides training and professional development for its personnel at its own expense. 4 specialists of the company are pursuing their postgraduate studies in order to expand their knowledge and skills (partially at the expense of the company).

In 2025, 11 engineers took advanced training courses at the Wellsite Digital training centre, where they gained new competencies and improved their professional skills.

The company has highly qualified personnel, which is the key to the stable development.

The company has created favourable conditions for attracting young employees (including providing internships and trainings).

The company has a long-standing cooperation with state educational institutions (Poltava College of Oil and Gas, National University 'Yuri Kondratyuk Poltava Polytechnic').

DEVELOPMENT PLANS

The company's primary goal for 2026 is to expand business activities and increase its profitability by leveraging new, state-of-the-art technologies and equipment, improving the marketing aspects of its business projects, and enhancing the professional skills of its key specialists.

Workover and Coiled Tubing Department

- Establishing ongoing partnerships with drilling contractors and petroleum producers.
- Expansion of the scope of jobs, introducing complex operations (sand jet perforation, shutoff works and Velocity string), as well as the use of fluids aerated with nitrogen.
- Development of technologies and implementation of a wide range of acid treatments and sand jet perforation with nitrogen aerated fluid.
- Implementing multistage acid treatments in heterogeneous formations using retardants or organic acids.
- Geophysical surveys and well testing using coiled tubing equipment.
- Expanding capacities of three coiled tubing fleets (surface and downhole equipment, coiled tubing piping).
- Application of chelated systems for inflow stimulation in deep wells and wells with high reservoir temperatures.

Directional Drilling Department

- Modernization and expansion of existing MWD systems and fleet of equipment to ensure its readiness for complex operations. Establishment of a reserve of lithium power sources to guarantee our autonomy and uninterrupted operation of telemetry systems in field conditions.
- Integrating KellyDown specialized software into design and monitoring of well paths.
- Developing Integrated Project Management service package (combining individual services that cover directional drilling, MWD, BHA).
- Professional training and international certification for the team to ensure that leading specialists meet international standards for well safety and management.
- Optimizing the cost efficiency of projects, including implementing a comparative analysis of drilling efficiency based on final financial results (well construction cycle).

Drilling Fluids Department

- Expanding the pool of potential customers and maintaining cooperation with current customers.
- Introducing circulation system as a mobile unit for the preparation, treatment, and storage of water-based and hydrocarbon-based drilling fluids.
- Upgrading and equipping central and field laboratories with up-to-date high-tech laboratory equipment.
- Development and implementation of a new oil-based drilling mud system BUROMUL+ that uses internationally produced chemicals and is similar to the INVERMUL system by HALLIBURTON.

Project Department

- Plans to purchase LandMARK software that would add value not just to the project department but to other as well including directional drilling department and drilling fluids department.
- Professional training for department specialists in the following courses: "Civil Engineering Design: Cost Estimation Documentation" and "Civil Engineering Design: Health, Safety and Environmental Protection".
- The newly acquired Construction Technologies-PVR Estimate software package helps provide customers with cost estimates to include in the contracts.
- Retaining current customers and working to acquire new ones from the western regions of the country.

Regulatory Framework:

- Bidding in tenders for development of regulations for petroleum industry.
- Development of regulations for petroleum industry.
- Expert evaluation of the Company's documents, including project documentation for wells.
- Creating and maintaining a regulatory register for petroleum industry state standards, EN ISO, ISO, GOSTs, DIN, CEN, ASME, ASTM, MSS, API etc).
- Organizational support for activities of the technical committee for standardization TC 138 NAFTOGAZnormuvannya.
- Providing Company's specialists with updates on regulations in petroleum industry.
- Development of standards and technical specifications required for company's activities.
- Updating manuals and guidelines used in the test laboratory for drilling and cementing fluids.
- Maintaining library of regulatory documents.
- Ensuring consistent approach to the integrated management system.

