

NIS GROUP BUSINESS RESULTS IN THE FIRST QUARTER OF 2023

New investment cycle has begun – RSD 6.5 billion invested in development projects

In the first quarter of 2023, NIS started a new ambitious investment cycle by investing RSD 6.5 billion in capital projects, which is 71 percent more than the investments in the same period last year. Most of the funds were placed in the field of oil and gas exploration and production, as well as in the further modernization of the Pančevo Oil Refinery and the NIS retail network. In addition, NIS focused on the continuation of regular supply of the market with all types of petroleum products, and, during the reporting period, a total of 956 thousand tonnes of crude oil and semi-finished products were processed in the Pančevo Oil Refinery, which is 6 percent more than in the first quarter of 2022.

In the period January-March, NIS achieved good financial results. However, as it can be expected taking into account market trends, they are lower than in the same period last year. First of all, the average price of Brent oil was \$81.3 per barrel, which is 20 percent less than the average price in the same period in 2022. Additionally, the consumption of motor fuels in Serbia fell by 2.5 percent compared to the same period last year. In line with these trends, NIS Group generated a net profit of RSD 11.7 billion, which is 25% less compared to the period January-March 2022. The EBITDA indicator amounts to RSD 19.9 billion, i.e. 22 percent less compared to the result achieved in the comparative reporting period. The calculated liabilities of the NIS Group on the basis of taxes and other public revenues amount to RSD 50.3 billion.

When it comes to operational indicators, the total production of 282.8 thousand tonnes of oil and gas was achieved, which is three percent less than in the first quarter of 2022. The sales of petroleum products amounted to 908.9 thousand tonnes, which is a decrease of 5 percent compared to the same period in 2022.

Kirill Tyurdenev, the CEO of NIS, stated:

"In 2023, we focused on investments and further modernization of NIS in all segments of business – from oil and gas exploration and production to the development of projects in the field of electrical power. In addition, we remain committed to the regular supply of the market and our contribution to the energy stability of Serbia. We set a good basis for both of these priorities in the first quarter of this year, which enables us to simultaneously focus on accelerating the energy transition of the NIS Group and the implementation of environmental protection improvement projects."

Head of
Corporate Affairs Department
NIS j.s.c. Novi Sad

Mirjana Stanojevic