

NIS GROUP BUSINESS RESULTS IN THE FIRST HALF OF 2022

Priority for preserving the market stability

Despite the complex macroeconomic environment, the NIS Group achieved good operating and financial results in the first half of 2022. Higher oil prices on the world market contributed to the growth of financial indicators. The average price of a barrel of the Brent oil in the first six months was \$107.59, which is 66 percent more than in the same period in 2021. Thanks to this, as well as to the achieved growth in the volume of sales and distribution, the EBITDA indicator of the NIS Group in the reporting period amounted to RSD 66.24 billion, and the net profit amounted to RSD 43.71 billion. The NIS Group's liabilities for taxes and other public revenues amounted to RSD 117.9 billion, i.e. they were by 24 percent higher than in the first half of last year.

In the first half of the current year, good operating results were achieved. The assets of NIS in Serbia and the region produced 583 thousand of conditional tonnes of oil and gas, which is at almost the same level that was achieved in the first six months of 2021. At the same time, the results in the field of oil refining and sales and distribution of petroleum products were significantly improved. The focus of the Refining Block was on the continuous production and provision of supplies in order to ensure an orderly supply of the market. Therefore, 416 thousand tonnes of crude oil and semi-finished products were processed in the Pančevo Oil Refinery in May, which is the best monthly result since 2009. The total refining output for the six months of 2022 was 2.104 million tonnes of oil and semi-finished products, which is by 23 percent more than in the comparative reporting period. In the field of sales and distribution, the trend of increasing the retail and wholesale volumes in Serbia and foreign assets continued, as well as the growth in sales of aviation fuel. The total sales turnover amount to 2.088 million tonnes and is increased by 18% as compared to the same period last year.

NIS also continued to support the community in which it operates. The competition "Together for the Community 2022" was announced, dedicated to the topic of increasing the birth rate and preserving reproductive health. RSD 118.5 million was allocated for this purpose, and the projects will be implemented in 13 partner municipalities and cities in Serbia.

Kirill Tyurdenev, the CEO of NIS, stated:

"A challenging period is behind us, in which we achieved our priorities. We preserved the regular operations of NIS and the orderly supply of the market. At the same time, we invested RSD 7.6 billion in development projects and we expect these investments to show a positive result for us in the future. We are aware that there are still many obstacles for us to overcome, but our management and employees have enough knowledge and experience to overcome these challenges with the support of shareholders".

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