

NIS GROUP OPERATIONS IN THE NINE MONTHS OF 2023

Realized investments of RSD 21.9 billion

In the period from January to September 2023, the NIS Group continued with the implementation of the planned investment cycle. RSD 21.9 billion were invested in capital projects, which is 80 percent more than the investments from the same period last year. The largest amount of funds was invested in the field of oil and gas exploration and production, in the further modernization of the Pančevo Oil Refinery, as well as in the development of the retail network. In addition to the investment accomplishments, the second priority of the NIS Group was successfully achieved – the stability on the domestic market was maintained, which was regularly supplied with all types of petroleum products.

The financial results of the NIS Group achieved in the first nine months of 2023 are in accordance with complex macroeconomic circumstances and market trends, among which the greatest impact lies in the decline in prices of oil and petroleum products on the world market, as well as the regulation of fuel prices. The average price of Brent oil in the reporting period was USD 82.1 per barrel, which is 22 percent less compared to the average price in the same period last year. The NIS Group net profit amounted to RSD 31.8 billion, which is 54 percent less than the result achieved in the first nine months of 2022. In the same period, the EBITDA indicator decreased by 46 percent compared to the previous year and amounted to RSD 56.5 billion.

The calculated liabilities for taxes and other public revenues of the NIS Group amount to RSD 181.7 billion, or 2 percent less than the year before. NIS also contributed to the stability of the budget of the Republic of Serbia by paying the dividend for 2022 in the record amount of RSD 23,364,924,716. At the same time, indebtedness to banks was reduced, which at the end of the period amounted to EUR 548.1 million, which is four percent less than at the end of September last year.

The total volume of oil and gas production in the reporting period amounted to 868.1 thousand tonnes of oil equivalent, which is 1.3 percent less compared to last year. It is important to point out that, thanks to investments and geological and technical activities, in the nine months of 2023, there was a slight growth in the production of domestic oil compared to the period January-September 2022. 3.054 million tonnes of crude oil and semi-finished products were refined in Pančevo Oil Refinery, which is six percent less than in the same period in 2022. A total of 2.995 million tonnes of petroleum products were sold, which is seven percent less compared to the first nine months of last year.

The company continued with the application of new technologies. The ECO digital platform was applied to NIS oil wells, which fully automates well development. At the same time, NIS continued with the development of the retail network, so the second facility on the Miloš Veliki Motorway was put into operation.

The company also continued to invest in the project of installing photovoltaic power plants within its retail network. So far, solar power plants have been installed at a total of 15 NIS petrol stations.

NIS also continued to support the efforts to improve the standards of Serbian citizens and signed the Cooperation Agreement with the Pension and Disability Insurance Fund of the Republic of Serbia, which defines the benefits for the users of Pensioner Cards when buying fuel and non-fuel products at all NIS Petrol and Gazprom petrol stations.

Kirill Tyurdenev, the CEO of NIS, stated:

"In the third quarter, we achieved the best financial and operational results in 2023. We invested RSD 10.4 billion in capital projects, which is 129 percent more than in the same period last year. Guided by these results, by the end of the year, we will remain committed to our priorities – further modernization of the company, energy transition, investment in socially responsible projects, and building strong partnerships with the community in which we operate".

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