

NIS recorded a net loss in the first half of 2020. NIS' operations were strongly influenced by adverse global macroeconomic circumstances. This primarily relates to the drop in oil prices and the COVID-19 pandemic, which caused a drastic decrease in demand for petroleum products in the reporting period. Under such conditions, the priorities of NIS were the preservation of health of employees and consumers, stability in the petroleum products market, social security of employees and continued investment in key development projects. In the period from January to June, the average value of Brent oil barrels amounted to 39.7 dollars, which is 40 % less than in the same period of 2019. At the same time, demand for petroleum products decreased between 30 and 40 % at certain times during the reporting period, which significantly affected NIS Group sales revenues. Despite unfavorable macroeconomic trends, NIS Group invested 123 million euros in further development. The largest investments were made in the area of oil and gas exploration and production, the Bottom of the Barrel project at the Pancevo oil refinery and the modernization of the retail network in Serbia and the region.

When it comes to operational indicators, NIS preserved the results in the field of exploration and production at last year's level, despite the crisis - producing 636 thousand tons of oil and gas, which is 1 % less than last year's performance. In the area of processing and sales, NIS achieved better results compared to the first half of 2019. The Pancevo oil refinery processed 1,630 million tons of crude oil and semi-finished products, which is 35 % more than in the first half of the previous year. At the same time, preparatory activities were initiated at the Delayed Coking Unit complex. The total volume of sales amounted to 1.556 million tons, which is 2 % more than in the comparative period in 2019, with export growth of 42 %.

In the first half of the current year, NIS reconstructed and modernized 5 petrol stations in Serbia and opened its 19th petrol station in Romania in Otopeni.

Even under complex circumstances, NIS managed to keep the EBITDA indicator at a positive level of 19.5 million euros, as well as a positive cash flow of 53.5 million euros, but due to negative macroeconomic trends, a net loss of 86.7 million euros was recorded. In the first half of 2020, NIS Group's calculated liabilities based on public revenues amounted to 713 million euros, which is 5 % more than in the first half of 2019.