

In 2021, Serbian oil company NIS will invest more than 155 million euros in development projects, CEO of NIS Kirill Tyurdenev announced.

Tyurdenev said that the company will invest in all the main areas of its business - exploration and production, processing and modernization of its retail network. It will focus on the most profitable projects in Serbia and the region. As one of the key projects to be realized this year, he highlighted the commissioning of the combined heat and power (CHP) plant in Pancevo, which NIS is building in partnership with Gazprom Energoholding. NIS CEO said that the year 2020 had been extremely challenging due to the sudden drop of the price of oil and the circumstances related to the COVID-19 pandemic, pertaining, among other things, to the considerably reduced demand for oil and oil products.

In the first nine months of 2020, NIS invested around 177 million euros, mainly in oil and gas exploration and production activities at its Deep Processing Unit at the Pancevo refinery, as well as in upgrading its retail network in Serbia and the region. In the January-September 2020 period, oil and gas industry was affected by adverse global trends, reduced demand for petroleum products, before all, due to the COVID-19 pandemics, as well as to sharp decline in oil prices. In the third quarter, NIS' EBITDA indicator amounts to 68 million euros, while the same indicator for 9 months of 2020, amounts to the total of 88.5 million euros. NIS also preserved its positive cash flow, which was, in the period January-September 167 million euros. Net profit realized in the third quarter was 16.2 million euros, but unfavorable macroeconomic situation in the first half of the year influenced the NIS Group to record the loss of 70.6 million euros in first nine months of the current year.