

QUARTERLY REPORT FOR THIRD QUARTER OF 2026

The Quarterly Report for Third Quarter of 2026 presents a factual overview of the NIS Group's activities, development and performance in third quarter of 2026 and the first nine months of 2026.

The Report covers and presents data for the NIS Group, comprising NIS j.s.c. Novi Sad and its subsidiaries. If the data pertain only to specific individual subsidiaries or only to NIS j.s.c. Novi Sad, it is duly noted in the Report. The terms: 'NIS j.s.c. Novi Sad' and 'the Company' denote the parent company NIS j.s.c. Novi Sad, whereas the terms 'NIS' and 'NIS Group' denote NIS j.s.c. Novi Sad with its subsidiaries.

The Quarterly Report for Third Quarter of 2026 is compiled in the Serbian, English and Russian language. In case of any discrepancy, the Serbian version shall prevail.

The Quarterly Report for Third Quarter of 2026 is available online on the corporate website. Additional information on the NIS Group can be found on the corporate website www.nis.rs.

Contents

Contents 3
Foreword 4
Management Business report 5
Highlights 5
Group NIS 8
Risk management 12
Business environment 16
Performance analyses 20
Key performance indicators 21
Securities 39
Human resources 42
Research and development 43
Corporate governance 44
Related-party transactions 45
Financial Statements 46
Interim Condensed Financial Statements (Unaudited) 46
Interim Condensed Consolidated Financial Statements (Unaudited) 67
Statement of individuals responsible for the preparation of report 85
Contacts 86
Glossary 87

Foreword

During the first nine months of 2026, the primary objectives of the NIS Group remained safeguarding the stability of the domestic petroleum products market, ensuring an uninterrupted supply of all fuel types, and maintaining social stability for employees. These goals were achieved through strict financial discipline and operational cost optimisation across all levels, despite operating in a highly challenging environment additionally affected by volatility in the global oil market.

Cost for optimisation and operational stability measures implemented group-wide yielded strong results during the reporting period. In addition to these initiatives, the financial performance reflects macroeconomic factors, specifically oil price fluctuation. The average price of Brent crude oil from January to September 2026 was USD 94.0 per barrel, up from USD 70.9 per barrel in the same period last year.

The NIS Group's net profit for the first nine months of the current year totaled RSD 23.1 billion, while EBITDA reached RSD 59.7 billion.

The Group's total obligations arising from public revenues for the first nine months of the year amounted to RSD 170.8 billion. Operating cash flow remained positive at RSD 31.8 billion.

In terms of operational performance, oil and gas production for the first nine months reached 834.0 thousand tonnes of oil equivalent, refining volumes for crude oil and semi-finished products reached 2.6 million tonnes, and total petroleum product sales volume amounted to 2.4 million tonnes.

Total bank debt was reduced to EUR 357.4 million, down from EUR 539.5 million in the same period last year.

The NIS Group continues to finance key projects aimed at driving future value creation. During the first nine months of 2026, capital investments reached RSD 19.2 billion, and were primarily focused on the Company’s upstream operations. A small power plant was put into trial operation at the "Srpska Crnja" gas field. At the Pančevo Oil Refinery, a modernized industrial railway line was put into operation following an investment of nearly RSD 3.8 billion. Also in Pančevo, HIP-Petrohemija started its turnaround.

Despite the current operating environment, the company maintained its commitment to social responsibility programmes supporting local communities and youth during the third quarter. For the 18th consecutive year, the Company launched its social project competition under the Common-Cause Community programme. Furthermore, NIS welcomed its 10th cohort of interns through the NIS Calling practical training programme. As part of its contribution to national safety, the company also donated fuel to the Emergency Sector of the Ministry of Interior of the Republic of Serbia.

Given the challenging circumstances, the NIS will continue to implement cost-saving and optimisation measures to mitigate the impact of macroeconomic volatility and uncertainty moving forward. Within this context, the primary focus of the NIS remains securing a stable market supply of all petroleum products while ensuring further development of the Company.

Management Business report

Highlights

January

Drilling of 6 development wells completed
6 new development wells commissioned (5 oil wells and 1 gas well)
An addendum to the contract signed with Banatski Dvor Underground Storage Facility for drilling 8 additional wells
The Drilling Brigades competition was organised with the aim of promoting and motivating employees at drilling rigs, as well as raising awareness of HSE culture and occupational safety during drilling operations
After obtaining the specific license authorising NIS transactions from the U.S. Treasury Department on 31 December 2025, crude oil was delivered to the Pančevo Oil Refinery in January 2026
In the Pančevo Oil Refinery, after the suspension of operations due to sanctions, the commercial operation of production units was restored
Implementation of the project for preparing Smederevska Palanka 1 PS to be reintegrated into the network
Upon the Company's request, on 23 January 2026, OFAC issued a specific license, valid until 20 February 2026.

February

Drilling of 5 development wells, including 2 horizontal wells completed
3 new development wells commissioned
The project of Tošin bunar PS renovation continued
In complex circumstances, NIS remained a reliable partner for retail clients, ensuring steady supply and innovative services
NIS Group's performance results in 2025 published
The Grammar School in Aleksinac presented a certificate of appreciation to NIS for improving the conditions for education and a long-term support to bilingual Serbian-Russian classes
Upon the Company's request, on 20 February 2026, OFAC issued a specific license, valid until 20 March 2026.

March

Drilling of 6 development wells, including 2 horizontal wells completed.
10 new development wells: 9 oil wells and 1 gas well commissioned.
The Production Service Center was modernised by purchasing a contemporary cementing unit
A promotional campaign offering lower retail fuel prices for IPS payments (5 RSD/l) launched. In cooperation with partners NIS continued to promote innovative and digital fuel payment methods, offering benefits to clients when using the IPS payment method
Upon the Company's request, on 19 March 2026, OFAC issued a specific license, valid until 17 April 2026.

April

Completed drilling of 4 development wells, out of which 3 horizontal wells. One well was drilled within the Banatski Dvor project.
4 new development wells commissioned, 3 oil wells and 1 gas well.
The 1st phase of the K1 Drilling Rig Overhaul Project was completed on schedule.
In the Exploration and Production Block, specialised training courses were delivered using internal resources, including "Lean Six Sigma", "Well Control", and "Corrosion 360", which were attended by over 100 employees.
The GHG emissions report for the Pančevo Oil Refinery was verified, in accordance with new legal obligations of the Republic of Serbia.
A record sales of EBMB 95 and 100, despite the fact that the cooperation with certain customers has not yet been continued.
The project of retail area refurbishment at Novo Mirijevo PS and Sevojno 2 PS completed.
The Pančevo Oil Refinery significantly increased the volume of crude oil and semi-finished products– a total of 336 thousand tonnes of crude oil was refined in April, which higher than in March of the current year by 11.3 percent more whereby NIS contributed to the stability of the domestic market.
Applications were open for the tenth season of the "NIS Calling" youth internship programme.

The NIS Group's performance results for the first quarter of 2026 published.
Upon the Company's request, on 17 April 2026, OFAC issued a specific license, valid until 16 June 2026.

May

Completed drilling of 6 development wells, out of which 5 horizontal wells
5 new development wells commissioned: 4 oil wells and 1 gas well
NIS traditionally participated in the 93rd International Agricultural Fair in Novi Sad and presented the benefits of the programme for farmers.
Representatives of NIS and the Serbian Orthodox Church signed the Donation Agreement, which stipulates the donation of land with the associated building of the Vojlovica Monastery in Pančevo to the Serbian Orthodox Church.

June

Completed drilling of 3 horizontal development wells. One well was drilled within the Banatski Dvor project.
6 new development oil wells commissioned.
Start of operation of Smederevska Palanka 1 PS – return to the retail network following a long-term lease
The 18th regular session of the NIS Shareholders' Assembly was held.
NIS published its 16th consecutive Sustainable Development Report for 2025.
Upon the Company's request, OFAC issued a specific license on 16 June 2026, valid until 1 July 2026, followed by a specific license issued on 30 June, 2026, valid until 31 July, 2026.

July

6 development wells were drilled, out of which 3 horizontal wells. One well was drilled within the Banatski Dvor project.
4 development wells were put into operation.
External quality assessment by the JPOA: Elemir, the Qualifications Agency of the Ministry of Education assessed work and training quality with the highest marks, in accordance with the JPOA Standard.
Small power plant commissioned at the Srpska Crnja gas field.
A historical record for monthly sales Euro BMB 95 (24 thousand tonnes) in the wholesale channel has been achieved.
Activities aimed at ensuring regular market supplies amid increased demand for petroleum products and difficulties in maintaining stocks due to the low Danube level.
The "NIS Calling" internship programme launched its 10th season.
For the 18th year in a row, NIS opened a competition for projects under the "Common-Cause Community" social responsibility programme.
The NIS Group performance results for the first half of 2026 were published.
Upon the Company's request, on 31 July 2026, OFAC issued a specific license, valid until 28 August 2026.

August

Completed drilling of 3 development wells in Serbia, out of which 2 horizontal wells. One well was drilled within the Banatski Dvor project.
5 new development wells were commissioned: 4 oil wells and 1 gas well.
NIS started the 5th season of internships for operators at the Pančevo Oil Refinery.
RSD 10 per litre discount on standard fuels with the SNNP card – monthly retention campaign and upsell for segmented databases of inactive users of the SNNP mobile application.
NIS donated 40 tonnes of fuel to the Emergency Sector of the Ministry of Interior of the Republic of Serbia, contributing to the engagement of fire-fighting vehicles and machinery.
Upon the Company's request, on 28 August 2026, OFAC issued a specific license, valid until 30 September 2026.

September

Completed drilling of 3 development wells in Serbia, out of which 2 horizontal wells. One well was drilled within the Banatski Dvor project. 2 new development oil were wells commissioned. In the first nine months, 42 development wells were drilled in Serbia (out of which 22 horizontal wells), with 45 wells commisioned. Also, in the first nine months of 2026, 5 wells were drilled within the Banatski Dvor project.
Stable operation of high-capacity units in Pančevo Oil Refinery, in order to meet fuel market demand and preserve energy stability of the Republic of Serbia.
In September 2026, the monthly refining and processing volume exceeded 403 thousand tonnes[1].
An all-time euro diesel sales record (123 thousand tonnes) in the wholesale channel.
The export of large planned quantities of sulphur, virgin naphtha and benzene was ensured, which is critical for the uninterrupted operation of the Pančevo Oil Refinery.
HIP-Petrohemija entered turnaround, worth EUR 15 million.
Based on the Memorandum of Cooperation, NIS donated computers and IT equipment to the National Training Centre of the Emergency Sector of the Ministry of Interior of the Republic of Serbia.
Upon the Company's request, on 30 September 2026, OFAC issued a specific license, valid until 30 October 2026.

[1]This is a significantly high level of refining throughput, for comparison, higher refining throughput was achieved in May 2022, when it reached 416 thousand tonnes.

Group NIS

The NIS Group is one of the largest vertically integrated energy systems in Southeast Europe. The most significant resource of NIS is its team of almost 13,500 employees, including the employees of HIP-Petrohemija d.o.o. Pančevo. The core business activities of the NIS Group are exploration, production, and refining of oil and natural gas, sale of a wide range of petroleum products and gas products, as well as implementation of projects in the petrochemical and energy sector. The registered seat of NIS and its main production capacities are located in the Republic of Serbia. In addition to Serbia, NIS is also present in the neighbouring countries of the Balkan region, in the field of oil and gas exploration and production, as well as in the field of retail.

The goal of NIS is to ensure stable operations and implementation of key projects in a highly volatile macroeconomic environment. In addition, NIS' priority is to contribute to energy stability in the markets in which it operates, primarily in the market of the Republic of Serbia.

The NIS project portfolio considers the energy transition as a priority in Serbia. The NIS Group is committed to improving environmental protection and allocates significant funds for the implementation of environmental projects that contribute to environmental protection. The Company implements projects that, among other things, contribute to reducing carbon emissions in order to reach the goals of the Paris Agreement. One of NIS' priorities is occupational health and safety. In this field, NIS sets the most ambitious goal - zero injuries at work and occupational diseases, and no negative impact on the working and living environment.

In addition to its business activities, NIS continuously implements numerous social responsibility projects that aimed at community development and enhancing the quality of life for citizens. The focus of the company in this field is to support young people as the driver of future development.

Business activities

Business activities of the NIS Group are organised within the parent company NIS j.s.c. Novi Sad, through the Exploration and Production Block and the Downstream Divison, which are supported by Functions in the parent company.

Exploration and Production Block

Exploration and Production

NIS is the only company in Serbia engaged in oil and gas exploration and production. The activities of NIS in this segment also include operational support to production, management of oil and gas reserves, management of oil and gas reservoir engineering, and major exploration and production projects.

The majority of NIS's oil and gas fields are located in Serbia, while the Company also engages in this industry in Romania and Bosnia and Herzegovina. The oldest concession abroad is in Angola, where NIS has been operating since 1985.

In Serbia, the company applies modern oil production methods used in the oil industry worldwide, with environmental protection as a priority.

The plant for the natural gas conditioning, LPG and gasoline production, and CO_2 stripping, based in Elemir, near Zrenjanin, operates as part of the Exploration and Production Block. The amine unit for natural gas processing using the high pressure acidgas capture technology is also located in Elemir. The method of gas processing employed in this unit completely prevents carbon dioxide emissions into the atmosphere, providing significant environmental benefits in addition to the business effects.

The Company also has a modern training centre in Elemir dedicated to training employees in the oil industry. It is a unique complex equipped with state of the art equipment that creates realistic conditions, allowing simulation of all the tasks that oil workers encounter in the process of production, preparation and shipment of oil and gas.

In previous period, NIS continued to implement digital projects in the field of oil and gas exploration and production and improved the work of the Production Management Center with investments worth more than EUR 2 million.

In the field of exploration and production, the NIS Group receives scientific and technological support from the Scientific and Technological Centre (STC NIS – Naftagas LLC Novi Sad). NIS thus continued to use innovative technologies in the field of oil and gas exploration and production and carried out drone surveying of the well

stock and aboveground infrastructure in the Kikinda and Elemir oil fields. This method enables fast and efficient collection of data from the field, and the obtained data will serve geologists as a basis for further geological and exploration works and the development of detailed models of the location.

Oil Services

NIS has its own service capacities, which fully meet the needs of the Group and provide services to third parties. Services in the field of exploration and production of oil and gas include geophysical well testing, construction, completion and workover, as well as special operations and well measurements. Another part of the service portfolio is maintenance of equipment and construction and maintenance of oil and gas systems and facilities. In order to strengthen the market presence, efforts are made to modernize the equipment, ensure the best possible quality of services provided, increase the technical and technological efficiency, and improve work efficiency in NIS and other companies.

Downstream

The Downstream business consists of the Refining Block, Sales and Distribution Block, Energy Block, petrochemistry and technical services.

Refining

NIS operates the Pančevo Oil Refinery which has been producing since 1968 and is now one of the most contemporary and environmentally most developed processing plants in the region, with a maximum designed capacity of 4.8 million tonnes per year. Since 2009, more than EUR 1.4 billion have been invested in the modernisation of the Refinery, with significant funds allocated for environmental protection projects. The Pančevo Oil Refinery produces: motor fuels meeting the Euro-5 standard, aviation fuel, liquefied petroleum gas, petroleum coke, fuel oil, bitumen, propylene, aromatics, straight-run gasoline for pyrolysis and other petroleum products (sulphur and other hydrocarbons).

The year 2026 marks six years since the commissioning of the Bottom-of-the-Barrel Unit with the delayed coking technology at the Pančevo Oil Refinery. This project, worth over EUR 300 million, enabled NIS to boost production of most valuable fuels – diesel, gasoline and liquified petroleum gas, and also to start domestic production of petroleum coke. In addition, the implementation of this project created numerous environmental benefits. These primarily include the cessation of the production of high-sulphur heavy fuel oil and the reduction of emissions of gases and particulate matter into the air. In this way, the environmental conditions improved not only in Pančevo, but also in the entire Serbia.

Sales and Distribution

NIS operates a network of more than 400[2] petrol stations in Serbia and the countries of the region. NIS operates the largest retail network in the country, and also engages in retail sales in the neighbouring countries - Bosnia and Herzegovina, Bulgaria and Romania.

NIS is present in the market under two retail brands, and petrol stations of the NIS Group are known for the high quality fuel and non-fuel portfolio, as well as modern services that meet the consumers' demands. NIS continually invests in the development of its retail network and in improving the quality of its goods and services. One of the priorities is digital projects, which provides consumers with services in line with modern trends, such as pay at the pump, digitisation of loyalty programmes, introduction of self-service cash registers inside petrol station facilities, etc.

In addition to the retail sale of finished petroleum products, liquefied petroleum gas and a range of related products, the sales structure of NIS also includes the export and domestic wholesale of gas and petroleum products. In addition, NIS is developing the supply of aviation and bunkering fuel, and the sales of bitumen and coke as special business lines.

All types of fuel undergo strict and regular laboratory control and meet the highest Serbian and international standards.

In addition to the initially planned reconstruction of the oil depot, NIS has simultaneously built three new tanks (5,000 m^3 each), enabling the oil depot to fully meet the requirements of the southern Serbian market and the

[2]Notwithstanding the fact that NIS j.s.c. obtained the specific licence as of 31 December 2025 - to be subsequently extended in 2026, as of 9 October 2025, when the full-scale sanctions entered into force, the operation of petrol stations in Bulgaria has been temporarily suspended. Petrol stations in Bulgaria have been leased as of September 2026.

Constantine the Great Airport. Four new tank trucks have been introduced at the Belgrade Aviation Services. Part of the works has been carried out simultaneously with the Pančevo Refinery turnaround; therefore, NIS has made additional efforts to ensure smooth market supply. In order to continue developing services at NIS retail stores, Post of Serbia parcel lockers have been set up at 150 petrol stations across Serbia.

Energy

This business segment includes the production of electricity and thermal energy from conventional and renewable energy sources, centralised management of the entire natural gas portfolio (including the production and sale of compressed natural gas and the sale of natural gas), electricity trade, development and introduction of strategically important energy projects, as well as the development and implementation of projects to increase energy efficiency and use of renewable energy sources.

The Energy Block is primarily focused on expanding the scope of work in the field of electricity production and trading, managing the Company's energy resources, more efficient and cost-effective operation of TE-TO Pančevo, as well as improving energy efficiency and reliability within the NIS Group. The task of the Energy Block, is to accelerate the Company’s energy transition and the process of decarbonisation.

The modern gas-steam combined cycle power plant in Pančevo (TE-TO Pančevo) powered by natural gas was constructed and started up in 2022. The main advantage of TE-TO Pančevo is that it uses natural gas, as a more environmentally friendly fuel, to simultaneously produce electricity, which is sold on the the commercial market, and thermal energy in the form of process steam for the purposes of the Pančevo Refinery.

Starting in 2013, NIS built small gas-fired power plants with an installed capacity of 20 MWe in its oil and gas fields at nine locations in Serbia. The environmental advantage of these plants lies in electricity and thermal energy generation from gas that was not previously used due to poor quality, large content of carbon dioxide and nitrogen, or could not be valorised due to the lack of gas infrastructure. The heat and electricity produced are used for the needs of NIS, while the electricity is also sold on the market. Continuous investments are being made in increasing the number of small gas power plants. The last two gas power plants put into operation are at the gas fields Banatsko Miloševo and Srpska Crnja.

In 2022, NIS started the construction of solar photovoltaic power plants (SPPs) first at NIS petrol stations, and then on the roofs and ground of other company facilities, thereby achieving significant financial savings and contributing to the reduction of carbon dioxide emissions. Currently, the total of 78 NIS petrol stations have solar power plants as a prosumer. Solar power plants are also built at the Jazak Drinking Water Production Unit, the Pančevo Oil Refinery, and one of the office buildings in Novi Sad. In 2025, NIS put in operation the first ground-mounted solar power plant at the Novi Sad Oil Depot, delivering all the produced electricity directly to the distribution system under commercial conditions.

Currently, the Company's total active solar capacity is 11.3 MW. The expected savings in greenhouse gas emissions from these projects will exceed 15,000 tonnes of CO_2 equivalent annually.

HIP-Petrohemija

The largest producer of petrochemical products in the Republic of Serbia, HIP-Petrohemija has been a part of NIS Group since 2023. The strategy of further development of HIP-Petrohemija involves the modernisation of basic production capacities and the construction of new facilities, increasing energy efficiency and business efficiency, as well as the implementation of environmental protection projects. The key project is the construction of a polypropylene production plant.

The integrated production complex of HIP-Petrohemija is currently able to produce over 600 thousand tonnes of petrochemical products per year. The production process in Pančevo includes five production and service facilities, with a laboratory and the necessary supporting services. Ethylene with its co-products and HIPTEN® and HIPLEX® polyethylene are produced here. The polyethylene pipes and fittings factory is also located within the Pančevo complex.

The Synthetic Rubber Factory in Elemir near Zrenjanin uses a co-product from Pančevo - the C4 fraction - as feedstock. It is processed to produce monomer 1,3-butadiene, and then HIPREN® polymer synthetic styrene-butadiene rubber. Methyl tertiary butyl ether (MTBE), an additive for motor gasoline, is also produced at this location. Raffinate 1, the residue after processing the C4 fraction, is used as raw material for MTBE production.

HIPTEN®, HIPLEX® and HIPREN® polymer products are intended for plastic and rubber processors and are incorporated into a large number of everyday objects, making them higher quality, safer and more comfortable.

Base products that are not processed in the “HIP-Petrohemija” (propylene, pyrolysis oil, pyrolysis gasoline) are the starting point for numerous other uses in the chemical and processing industry.

Technical Services

The Technical Services provides facilities and equipment maintenance and repair, pipeline construction, installation of oil and gas process systems, as well as certified testing and inspection services, calibration and metrology services, and production of parts and equipment for oil industry and other related industries.

Risk management

Integrated risk management system

Risk management is a continuous and systematic business process which serves to support management decision-making and the achievement of the Company's objectives in a risk exposed environment. A risk has a negative impact on the Company's objectives if the risk event is realised. In its business operations, the Company is exposed to different risks which, if realised, may affect fulfilment of the set objectives.

The Company has the Risk and Internal Control Monitoring Sector which performs continuous monitoring and control of the risk management process and coordinates and improves this business process. The basic principle underpinning this system is that the responsibility for managing risks is assigned to risk owners, , i.e., business process owners in the Company. Such an approach ensures that the responsibility for risk management and monitoring is identified for all processes of the Company, and that risks response and action plans are prepared in order to manage risks at the level of individual business processes and the Company as a whole.

In its operations, the Company is exposed to the following most important risks:

Non-financial risks

RISK DESCRIPTION	RISK MANAGEMENT MEASURES
Operational risks	
HSE risks	
Due to the nature of its activity, the Company is exposed to health, safety and environmental risks.	With a view to protecting its employees, equipment, facilities, and environment, as well as meeting legal obligations, the Company continuously monitors its work processes, workforce, assets, and working and living conditions. In addition, the Company amends its normative and methodological documents in a timely manner, to ensure they reflect changes in the legislation of the Republic of Serbia and monitors their enforcement. The Company timely implements corrective measures ensuing from HSE incident investigations, through the system of observations, corporate oversight, and external inspections. HSE training courses are provided to employees.
HR risks	
Highly qualified personnel is key for efficient operations of the Company.	The Company is implementing a broad range of activities aimed at attracting and retaining qualified staff. Some of the measures to attract qualified personnel include: early recruitment programmes (cooperation with educational institutions, scholarships) and "NIS Calling" programme. The employee retention programmes include: talent management programme, talent development programme, professional training of employees, performance- and potential-based employee assessment – identifying talents and defining the succession plan for key positions in the Company, training for managers, and introduction of a unique talent management system.
IT risks	
Due to the growing reliance of the Company's business processes on information technologies, automation and telecommunications, the Company is exposed to risks of ensuring expected service availability and business continuity.	The Company manages these risks through a series of measures, including IT standards and system monitoring tools, performs data backups and tests the service recovery process. In addition, the Company strives to monitor and implement new technologies and renew equipment in order to increase quality and continuity of service availability.

Information security risks	
The Company is exposed to business risks stemming from potential breaches of integrity, confidentiality, and availability of information.	Information protection within the Company comprises activities that, through information handling, have a positive impact on business operations by maintaining continuity of business processes and minimising operational risks. The Company's information protection system is a comprehensive set of rules prescribed by regulatory and normative-methodological documents, specific organisational and technical measures, and activities aimed at provision and monitoring enforcement of the prescribed security measures.
Project risks	
A consistent and transparent risk management process has been established within the NIS Group for the implementation of investment projects, fully aligned with the PMI (*Project Management Institute*) standards. Effective project risk management is reflected in maximising the probability and impact of positive events and minimising the probability and impact of negative events on the projects, resulting in the development of more realistic project management plans and increasing the likelihood of achieving the defined project objectives.	A detailed risk management plan is developed within the planning and preparation phase for each investment project. Special attention is paid to the identification of risks that are of material importance to a particular investment project, analysis of identified risks (qualitative and quantitative analysis), planning of the "response strategy", or adequate measures (by defining preventive activities, corrective and contingency action plans), determination of the tolerance level for identified risks, and appointment of persons responsible for the implementation of these measures and persons responsible for the regular review of project risks. All of the above is consolidated into a dedicated Project Risk Register.
Political risks	
Frequent changes and the tightening of sanction regimes may further impact the Group's operations. On 10 January, 2025, the Company was placed on the SDN (Specially Designated Nationals) list by *OFAC* (*Office of Foreign Assets Control*).	In the first nine months of 2026, the Company received eight specific licenses from OFAC, which enabled business operations. However, the future effects of the current economic situation are difficult to predict and the management's current expectations and estimates could differ from the actual results. The Group has adopted internal procedures to ensure sanctions compliance, in order to eliminate risks and potential negative consequences for the Company's operations arising from activities contrary to the prohibitions and restrictions imposed by international sanctions.

Financial risks

RISK DESCRIPTION	*RISK MANAGEMENT MEASURES*
Credit risks	
Credit risk arise in connection with cash funds, deposits with banks and financial institutions, intercompany loans/loans to third parties, and in the sale of petroleum products with deferred payment.	Credit risk management is established at the level of the NIS Group. With respect to credit limits, banks are ranked according to adopted methodologies applicable to major and other banks, in order to determine the Company's maximum exposure limit to the bank at any given time (through deposits, documentary instruments: bank guarantees, Letters of Credit, etc. issued for the benefit of NIS j.s.c. Novi Sad). With regard to accounts receivable, there is a credit limit methodology in place, which serves to define the level of exposure in relation to individual customers, relative to their financial indicators.
Liquidity risks	
Liquidity risk is a risk of NIS Group encountering difficulty in meeting its due liabilities. It is the risk of not having sufficient funds to finance the NIS Group's business operations.	NIS Group continually monitors liquidity in order to provide sufficient cash for its operational, investment and financial activities. To this end, the Group continually contracts and secures sufficient lines of credit and security instruments, ensuring that the internally defined maximum allowable credit debt level is not exceeded and that all its obligations under commercial bank arrangements (covenants) are met.
Commodity-price risks	
Due to its core activity, NIS Group is exposed to risks associated with price volatility, specifically changers in the price of crude oil, petroleum and petrochemical products, which affects the value of inventories and margins in oil refining and the production of petrochemical products, which further affects the future cash flows.	These risks are partly offset by adjusting petroleum product selling prices to the changes in oil and petroleum product prices. In addition, the following actions are undertaken to reduce a potentially negative effects of this risk on the financial result of the Company: • Annual planning based on multiple scenarios, monitoring and timely adjustment of operational plans for crude oil procurement; • Regular sessions of Company's Commission in charge of crude oil purchase/sale to discuss all major topics; • Continuous, intensive check of new potential suppliers through procedural verification based on inquiries and letters of interest submitted to NIS; • Maximum effort to ensure a continuous supply of crude oil despite the restrictive conditions, providing both the required quantities and the type of crude oil that would correspond to refining plans and the product portfolio; • Continuous efforts to optimise processes and striving for the best possible economic effects and indicators; • Monitoring market conditions throughout the calendar year and collecting information from foreign companies that are established and reliable traders in the European market and beyond, in order to better understand the potential conditions for the implementation and execution of spot purchases.

Foreign exchange risks

The Company operates in an international setting and is thus exposed to the risk of fluctuating foreign-exchange rates arising from business transactions being made in different currencies, primarily EUR and USD. The risk involves future trade transactions and recognised assets and liabilities.	The risks relating to fluctuations in the exchange rate of the national currency against the US dollar and the impact of this factor on the prices of petroleum products are partly offset through the natural hedging of petroleum product selling prices, which are adjusted to these fluctuations. Risk management instruments are also used, such as forward transactions and successive purchases of foreign currency on the foreign exchange market, which help reduce the impact of foreign currency losses in the event of depreciation of the national currency against the EUR (the currency in which the majority of the Company's foreign liabilities are settled following the imposition of sanction-related restrictions). Other measures include balancing of the foreign exchange sub-balance in terms of adjusting the export collection currencies to the currencies of foreign liabilities, managing the currency structure of the credit portfolio, etc.

Interest rate risks

The Company is exposed to the risk of interest rate volatility, both in terms of borrowing from banks and and placement of funds.	The Company borrows from commercial banks at either floating or fixed interest rates, depending on the forecasts of base interest rates in the monetary market and the business banks' capability to offer fixed interest rates on loans. Funds in the form of intercompany loans to third parties are placed at floating or fixed interest rates, whereas monetary funds in the form of term or sight deposits are mostly placed at fixed interest rates. Funds in the form of deposits are placed in accordance with the credit limit methodologies of commercial banks (funds are reciprocally placed only with major commercial banks from which Company obtains loans and/or lines of credit/security instruments). In this respect, income and cash flows from bank deposits and intercompany loans do not largely depend on changes in base interest rates. On the other hand, liabilities towards banks and intercompany liabilities contracted at variable interest rates depend on changes in base interest rates. In order to reduce the uncertainties associated with interest rate risk, when collecting offers from banks for financing, the Company insists on offers with fixed interest rates in order to compare them with variable and fixed interest rates and make a selection in accordance with the current policy for managing interest related expenditures. In addition, the analysis of interest rate movements in the financial market is continuously carried out, as well as the analysis of restrictions and possibilities of using interest rate hedging instruments (interest rate swaps, options, etc.).

Business environment[3]

World

The global energy market remained unstable during the third quarter, due to war developments in the Middle East. Beyond price levels, the availability of oil, LNG, and petroleum products posed a challenge; this significantly impacted global inventories and market conditions, with spillover effects reaching the electricity and fertilizer markets.

The conflict in Iran triggered a reallocation of capital and a surge in profits for oil giants. The sharp rise in third-quarter profits was driven by record oil refining margins (crack spreads)—reaching USD 63 per barrel, compared to USD 50 in the second quarter and USD 26 per barrel a year earlier.

IEA points to a decline in oil supply, a rapid reduction in inventories, and mounting pressure on the petroleum products market, while uncertainty regarding the normalization of supplies remains a key factor for future energy market trends.

The US EIA estimates that global liquid fuel production will be lower year-on-year, while global consumption will decrease, with a recovery expected next year. Stocks of oil and petroleum products have been declining during the third quarter—and since the onset of the conflict in March—but a gradual stabilization of inventory levels is expected by the end of the year. These projections also assume a peaceful resolution to the conflict in the Middle East.

OPEC+ decided to increase production quotas for September compared to August, thereby completing the process of lifting the second (of three) previously established restriction packages. Oil production quotas will remain at September levels throughout October and November.

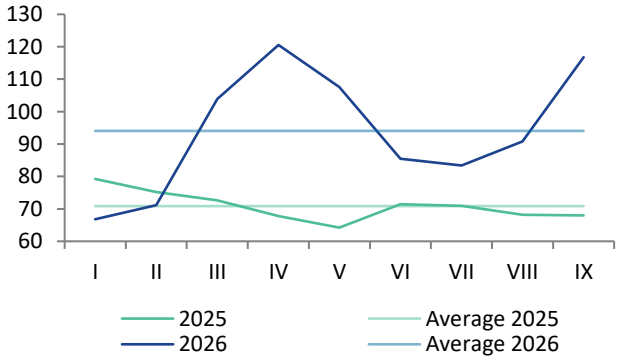
Oil and petroleum products markets

The market for oil and petroleum products remains heavily influenced by supply disruptions in the Middle East and reduced refining capacity; this has driven up the price of Brent crude and led to a record surge in refining margins, particularly for diesel.

During the third quarter, the price of Brent crude recorded a sharp rise—surging by as much as 93.9% from a low of USD 68.2 per barrel in early July to a peak of USD 132.2 per barrel in mid-September.

The quarter's lowest prices were recorded in early July, driven by a temporary lull in the Middle East conflict, but the beginning of the month saw a temporary, one-day rise to over USD 100 per barrel. The average price in July was approximately USD 83.4 per barrel. Price growth was more moderate in August, averaging around USD 90.8 per barrel; however, armed incidents near the Strait of Hormuz in September triggered a record price surge, reaching a high of USD 132.2 per barrel and remaining at an elevated level through the end of the month (with a September average of approximately USD 116.8 per barrel).

Brent Dtd[4] price trends, $/bbl



The average price of Brent crude oil in the third quarter of this year was USD 97.0 per barrel.

Petrolum product prices tracked the surge in crude oil prices. In early July, the stock exchange price (CIF Med) for a tonne of Eurodiesel hovered around USD 950, but by mid-September, it had surpassed USD 1,600 per tonne. Gasoline stood at USD 939 per tonne in early July and reached over USD 1,300 per tonne by mid-September.

[3] Data sources for the World, Oil price and Macroeconomic trends: reports by IMF, World Oil, BCG, Bloomberg, Reuters, EU Commission, EIA, IEA, European Investment Bank, OECD, OPEC, Oil&Gas Journal. Data sources for Serbia: Reports of the National Bank of Serbia, Chamber of Commerce and Industry of Serbia, Statistical Office of the Republic of Serbia, reports by IMF; newspaper articles: Tanjug.
[4] Source: Platts.

According to the IEA, the refining margins lagged significantly behind that of diesel, as middle distillate stocks in OECD countries remained below the five-year average.

The IEA expects crude oil prices to stabilise by the end of the year; however, oil and petrolum product inventories in OECD countries remain low, with middle distillate stocks in the Atlantic Basin at critically low levels. Refining margins for Eurodiesel are expected to remain exceptionally high through the end of the year, while a slight decline in margins is anticipated for gasoline.

The EIA (USA) projects that the average price of Brent crude will rise by approximately USD 1.5 by year-end (reaching around USD 91 per barrel), while the price of WTI crude is expected to increase by about USD 2 compared to the third quarter (reaching around USD 86 per barrel). US crude oil production is set to reach record levels in the final quarter (around 14 million barrels per day), yet inventories in the US and OECD countries are projected to continue declining.

A Reuters survey indicates that almost all analysts have raised their price forecasts.

Natural gas markets

Supply constraints and price fluctuations—driven by disruptions to flows through the Strait of Hormuz—remained key factors for the global natural gas market in the third quarter, while production growth in the US and other regions (Canada, Africa, and Australia) only partially offset the shortfall from the Middle East. US LNG exports reached 10.9 million tonnes in September, compared to 10.7 million tonnes in August. As much as 54% of US gas went to Europe, and 26% to Asia.

The European Commission stated that there was no risk to supply security in EU countries, despite low inventory levels, capacity shutdowns in Qatar, and high price volatility. European natural gas stocks are at only 66% of storage capacity (the total capacity is ~1,100 TWh), which is significantly below the five-year average of 82%. In Asia, high prices significantly dampened demand. In the US, domestic production remained very high. Gas exports from Russia to Europe remained very low. ACER estimates that Russian gas will account for approximately 12% of EU consumption in 2026, but warns that low inventory levels and supply disruptions from Qatar have increased the risk of price hikes.

In its Q3 2026 report, IEA forecasts a 0.5% annual decline in global natural gas demand (approximately 20 billion cubic meters). The sharpest declines are seen in the Middle East (4%)—due to infrastructure damage—and Europe (2%), driven by the growth of energy production from renewable energy sources and high wholesale gas prices.

Petrochemical market

The petrochemical industry is facing high raw material costs, supply chain disruptions, and weak demand, which has limited producers' ability to pass cost increases on to customers. Pressure was particularly acute in Europe and Asia, where higher oil and petrochemical intermediate prices drove up the costs of ethylene, propylene, and polymers, even as demand remained sluggish.

Polyethylene and polypropylene prices in the European market rose towards the end of the quarter, driven primarily by higher production costs and tighter supply. The situation was even more unfavorable for polypropylene producers in Asia, as the price of propylene rose faster than that of polypropylene, resulting in negative production margins. The US market proved relatively more resilient, thanks to better availability of intermediates, though weak demand and high inventory levels there also capped propylene price growth.

Low profitability and overcapacity have accelerated the transformation of the petrochemical industry. In South Korea, the shutdown of two ethylene plants with a combined annual capacity of 1.39 million tonnes has been approved, while new investments have been announced for a petrochemical complex in Turkey, alongside several projects in Kazakhstan. The modernisation of polymer capacities and technologies in Europe has continued, specifically through the redirection of investments toward high-quality.

Germany, Italy, and France have announced requests to introduce protective import quotas on the polymer resin polyethylene terephthalate (PET) in order to curb the rapid rise in imports, primarily from China.

Other significant developments in the energy sector

Global electricity generation from renewable energy sources is projected to rise by more than 8% in 2026, with renewables overtaking coal for the first time to become the world's largest source of electricity, according to IEA. Particularly strong growth is expected in solar power, with generation projected to increase by approximately 600 TWh. However, the rapid growth of renewables is increasingly facing constraints related to power grids.

The European Investment Bank has approved EUR 9.2 billion to accelerate the energy transition—specifically for investments in power grids in Germany and Greece, solar energy in Italy, and district heating in Lithuania.

The European Commission has announced a new European Bank auction worth up to EUR 500 million for green hydrogen production within the EU, scheduled to open in December 2026.

Macroeconomic trends

Global economic activity remains relatively resilient, though growth is slowing and inflationary pressures are intensifying—particularly in the second half of the year—due to high energy prices and the conflict in the Middle East. OECD forecasts a global growth of 2.9%, while the IMF expects 3.0%, with significant regional disparities: India and China continue to record robust growth, whereas Europe, the US, and Russia are facing weaker growth.

For 2026, OECD projects a sluggish economic growth of 1.0% in the Eurozone, driven by high energy prices, inflationary pressures, and low domestic consumption.

In July, the IMF released similar GDP growth forecasts for 2026: Eurozone 0.9%, USA 2.3%, Russia 1.1%, China 4.6%, and India 6.4%.

According to the World Bank's report on Europe and Central Asia, growth in the region is set to slow to 2.2% (down from 2.6% the previous year); however, the Western Balkans stands as an exception, with growth accelerating to 3.1%.

The annual inflation rate in the Eurozone rose to 3.8% in September, up from 3.2% in August.

According to OECD, global year-on-year inflation rose to 4.3% in August (up from 4.1% in July) due to a renewed increase in energy prices. Inflation in G20 countries is projected to rise to 4.1% in 2026 (from 3.4% in 2025). In the Eurozone, year-on-year inflation reached 3.2% in August, with a further acceleration to 3.8% projected for September. The OECD expects inflationary pressures to remain elevated through the end of the year, but inflation should decline next year as energy markets stabilize.

In July, the Central Bank of Russia lowered its benchmark interest rate from 14.25% to 14% to stimulate lending and boost investment activity.

Serbia[5]

Macroeconomic trends in Serbia were characterised by an acceleration in economic activity and a continued slowdown in inflation. The NBS expects Serbia's real GDP growth for 2026 to reach 3.2% (up from the previous estimate of 3.0%), driven by economic performance exceeding expectations (contributions from services and private consumption, alongside a recovery in industry, mining, construction, and agriculture). Inflation in August stood at 0.5% month-on-month, or 2.2% relative to December 2025. The average gross wage in July was RSD 167,000, representing a real increase of 8.5% for the January–July period. The key policy rate was maintained at 5.75%, while the interest rate on housing loans stood at 4.5% in August.

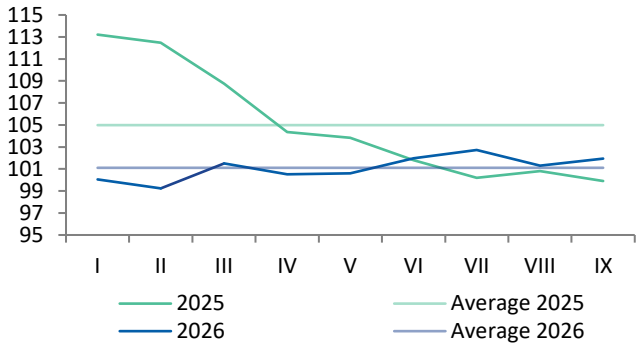
The World Bank forecasts Serbia's economic growth at 3.1% in 2026, driven by public investment, tourism, private consumption, and increased exports.

The World Bank has approved approximately EUR 520 million for Serbia's Gas Sector Development Programme, aimed at enhancing gas supply security, developing infrastructure, and reforming the gas sector. The programme will be implemented over a ten-year period.

[5]Source: National Bank of Serbia, Statistical Office of the Republic of Serbia, Chamber of Commerce and Industry of Serbia, newspaper articles.

The Government of Serbia has extended the validity of the Decision on the temporary ban on the export of oil and petroleum products until 31 October, 2026.

Exchange rate trend, USD/RSD[6]



- Average USD/RSD exchange rate during the first nine months of 2026 was lower by RSD 3,9, which is a 3,7% drop compared to the same period in 2025.
- During the first nine months of 2026, USD/RSD exchange rate increased by RSD 3,8 or 4%.
- During the first nine months of 2025, USD/RSD exchange rate decreased by RSD 12.5 or 11%.

[6]Source: National Bank of Serbia

Performance analyses

Market share[7]

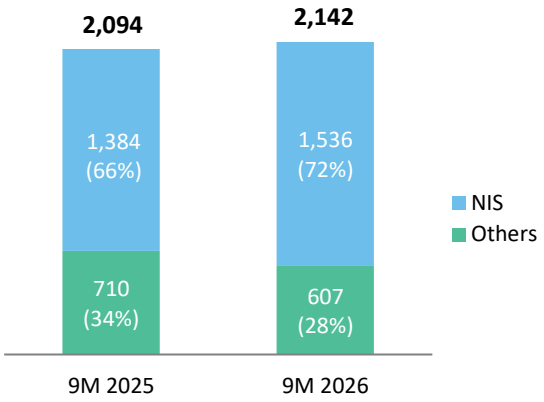
The general regional trend reflects an increase in consumption, while Bosnia and Herzegovina recorded a substantial decrease compared to the nine months last year.

Market share on the Serbian market

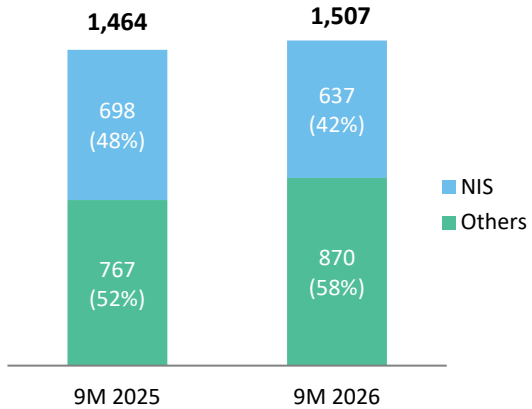
Over the period from January to September 2026, the total consumption of petroleum products went up by 1.7%, with motor fuel consumption increasing by 2.3% in the domestic market and by 2.9% in the retail channel, relative to the same period last year.

A remarkably high sale in March was spurred by the fear of shortage that prompted customers to accumulate stocks, which are gradually decreasing, notably in the farming sector. The impact of geopolitical tensions and particularly the Middle East crisis created markedly high price volatility throughout the entire period. The Russia's crude oil export ban in July and the unusually low Danube water level contributed to the negative effect on fuel import options for Serbia. Nevertheless, NIS managed to secure uninterrupted and stable market supply of petroleum products from its own production.

Volume of the Serbian motor fuels market[8], in thousand tonnes



Volume of the Serbian motor fuels[9] retail[10] market, in thousand tonnes



The Company's retail market share decreased year-over-year by 5.4 percentage points although it is still at a high level in view of complex and dynamic market conditions in which the Company operates. Most of the drop in sales is due to the inability to process payments via certain bank cards.

[7]Sources of information underlying the projections: for Serbia – internal analyses and estimates of the Sales and Distribution Block. Any possible deviations in aggregate values in the graphs are due to rounding.
[8]Data for 9M 2026 are based on estimates.
[9]Retail of other market participants is supplied through the wholesale of NIS and other participants in the Serbian wholesale market.
[10] The sales of NIS and other competitors include motor fuels (LPG, CNG – motor fuel, motor gasoline and diesel). LPG cylinders are not included.

Key performance indicators

Q3 2026	Q3 2025	Indicator	Unit of measurement	9M 2026	9M 2025
97.0	69.1	**Brent Dtd**	$/bbl	**94.0**	70.9
125.9	83.9	**Sales revenues**	RSD billion	**297.6**	229.7
13.2	3.3	**Net profit/loss**	RSD billion	**23.1**	-0.3
24.6	11.0	**EBITDA**[11]	RSD billion	**59.7**	21.1
15.3	25.0	**OCF**	RSD billion	**31.8**	26.7
7.4	6.6	**CAPEX**[12]	RSD billion	**19.2**	19.0
69.4	63.0	**Accrued liabilities for taxes and other public revenues**[13]	RSD billion	**170.8**	167.7
357.4	539.5	**Total bank indebtedness**[14]	EUR million	**357.4**	539.5
2.1	2.0	**LTIF**[15]	number	**2.1**	2.0

[11]EBITDA = Sales revenues (exclusive of excise duties) – costs of inventories (oil, petroleum products and other products) – operating expenses (OPEX) – other costs that may be controlled by the management.
[12]CAPEX amounts are exclusive of VAT.
[13]Taxes, fees, charges and other public revenue calculated for the reporting period. The overview includes the NIS Group's liabilities for taxes and other public revenues in Serbia and in other countries where the NIS Group operates.
[14]Total bank indebtedness = total debt to banks + letters of credit. As at 30 September 2026, total debt to banks amounted to EUR 357.4 million, while there was no debt based on letters of credit.
[15]Lost Time Injury Frequency – Ratio of employee injuries with sick leaves divided by the total number of working hours multiplied by one million. The said indicator is calculated cumulatively from the beginning of the year, and the displayed data represents the current situation as of 30 September, 2026.

Operational indicators

Exploration and production

Key indicators

Q3 2026	Q3 2025	Indicator	Unit of measurement	9M 2026	9M 2025
279.7	281.8	**Oil and gas output**[16]	thousand t.o.e.	**834.0**	837.7
0.6	0.7	**LTIF**[17]	number	**0.6**	0.7
10.2	6.9	**EBITDA**	RSD billion	**28.2**	21.8
5.1	4.5	**CAPEX**[18]	RSD billion	**14.3**	11.5

The main goal of the Exploration and Production Block in 2026 is to meet the hydrocarbon production targets implements geological research projects and increase the efficiency of geological and technical activities.

In the third quarter of 2026, a total production volume of oil and gas from Serbian reservoirs was 268.5 thousand t.o.e. The total production in the third quarter of 2026, including concessions, was 279.7 thousand t.o.e.

The total production volume of oil and gas in the first nine months of 2026, including concessions, was 834.0 thousand t.o.e.

In the field of geology and reservoir development, the emphasis is on maintaining the high quality of well interventions aimed at increasing oil and gas output.

Geological exploration and field engineering

In the third quarter of 2026, 10 new oil wells were put into operation, with an average increase of 21.8 t/day, or an additional 10.5 thousand tonnes of oil. Of that, 8 horizontal wells were successfully commisioned, leading to a production increase of 22.2 t/day.

In the third quarter of 2026, geological and technical activities were successfully carried out on 33 wells with a satisfactory average increment.

In 2026, the implementation of well workover and isolation technology continued. In the third quarter after the application of this technology, 10 wells were put into operation, resulting in an average increase of 1.7 t/day.

In the third quarter of 2026, 14 wells were put into operation after switching to a new production layer, with an average productivity increase of 4.9 t/day. In addition, 8 intensifications were carried out, with an increase of 1.5 t/day, while 1 well were commisioned from the inactive well stock, with an increase of 2.6 t/day.

All well interventions completed in the third quarter, contributed to an additional oil output of 15.2 thousand tonnes.

2D/3D seismics

Based on the geological research so far, the portfolio has been updated to facilitate the planned exploratoration drilling, which will take place over the next three years.

[16]Domestic oil output also includes gasoline, whereas gas output includes commerical production of gas and light condensate.
[17]Lost Time Injury Frequency – Ratio of employee injuries with sick leaves divided by the total number of working hours multiplied by one million. The data pertain to the Exploration and Production Block. The said indicator is calculated cumulatively from the beginning of the year, and the displayed data represent the current situation as of 30 September, 2026.
[18]Financing, exclusive of VAT.

License obligations

In the first nine months of 2026, groundwater reserves for one deposit were determined and officially certified.

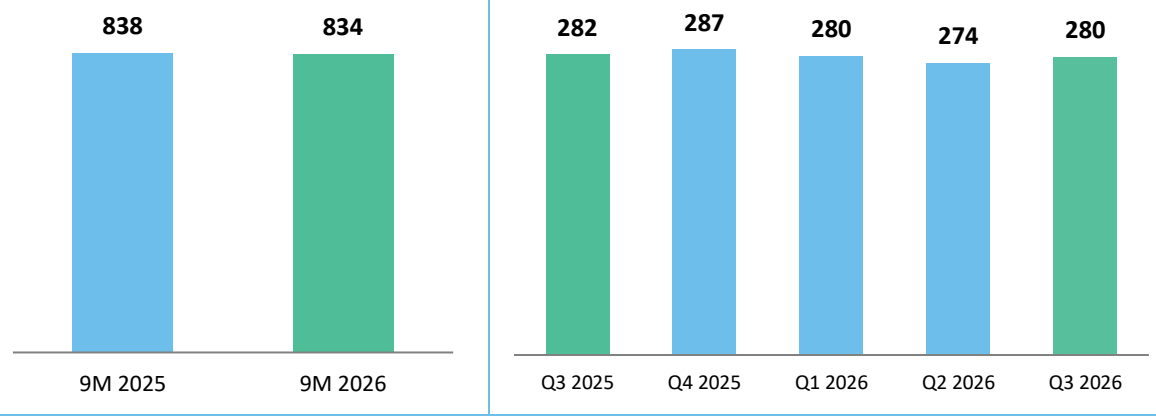
During the first nine months of 2026, the following documents were prepared and submitted to the competent state authorities:

- Reports on the status of hydrocarbon and groundwater reserves and resources as at 31 December 2025,
- Annual Performance Report of NIS j.s.c. Novi Sad in the process of oil, gas and groundwater exploitation for 2025;
- Annual Operational Plan for mining works in the exploitation process for 2026;
- Four annual reports on the results of geological oil and gas exploration in the exploration areas (North Banat, Central Banat, North Bačka and South Bačka), two final reports on the results of geological explorations in the exploration area (South Banat and Danube Region), as well as four final reports on the results of geological oil and gas explorations in the exploitation felds of Banat and Bačka;
- A request was submitted to the Ministry of Mining and Energy to extend the approved exploration period in the Danube exploration area;
- Two requests were submitted to the Provincial Secretariat for Energy, Construction and Transport, for expansion of the production field of the Srednji Banat unit and for technical inspection of mining facilities constructed on the production fields of the North Banat unit; and
- Four approvals issued by the Provincial Secretariat for Energy, Construction and Transport for the execution of mining works on the production fields of the Central Banat and Northern Banat units.

Oil and gas output

In the first nine months of 2026, a total of 834 thousand t.o.e. of oil and gas was produced, which is 0.4% lower than in the same period last year. In the third quarter of 2026, a total of 279.7 thousand t.o.e. of oil and gas was produced, which is 0.7% lower than in the same period last year.

Oil and gas output, thousand t.o.e.



Downstream

Key indicators

Q3 2026	Q3 2025	Key indicators	Unit of measurement	9M 2026	9M 2025
1,020.1	994.8	**Volume of refining of crude oil and semi-finished products**[19]	thous. tonnes	**2,635.0**	2,671.8
996.4	896.8	**Total sales volume of petroleum products**[20]	thous. tonnes	**2,396.0**	2,421.2
245.5	289.7	*Retail*	thous. tonnes	**686.8**	803.9
459.7	323.8	Wholesale[21]	thous. tonnes	**1,017.9**	909.2
235.1	240.3	*Transit, export and BU*[22]	thous. tonnes	**550.4**	586.1
56.0	43.1	*HIPP Sales*[23]	thous. tonnes	**140.8**	122.0
745.7	726.9	**Motor fuels sales volumes**[24]	thous. tonnes	**1,838.8**	1,921.4
29.2	24.8	**Electricity output**[25]	thous. MWh	**109.7**	85.6
17.8	5.7	**EBITDA DWS**[26]	bln RSD	**39.3**	4.3
22.8	5.0	EBITDA *Refining*[27]	bln RSD	**45.0**	4.4
0.1	3.9	EBITDA *Sales and Distribution*[28]	bln RSD	**1.3**	7.6
2.3	1.9	**CAPEX DWS**[29]	bln RSD	**4.5**	7.1
1.3	1.1	*CAPEX Refining*	bln RSD	**2.5**	3.2
0.5	0.5	*CAPEX Sales and distribution*	bln RSD	**1.1**	2.8
1.3	1.5	**LTIF DWS**[30]	number	**1.3**	1.5
1.3	1.6	*LTIF Refining*	number	**1.3**	1.6
1.0	1.0	*LTIF Sales and distribution*	number	**1.0**	1.0

[19]The presented refining volume includes the refining volume of HIP-Petrohemija. Any deviations in aggregate values result from rounding.
[20]Any deviations in aggregate values result from rounding.
[21]Includes the sale of oils and lubricants to the Lubricant Production Plant.
[22]Business unit includes the sale of bitumen, bunkering and aviation fuel channels. As of 2026, the sale of lubricants are presented within the BU, whereas in previous periods it was reported within Wholesale sales.
[23]The presented sales volume of HIPP is consolidated and does not include sales made in internal relations.
[24]Total motor fuels sales volumes in Serbia and in foreign assets.
[25]The volume of electricity produced includes the electricity produced by Pančevo Power Plant, small power plants and photovoltaic power plants.The total volume of electricity produced at PVPP for the period January – September is 12,445.4 MWh, while for Q3 2026 it amounts to 5,053.8 MWh.
[26]EBITDA Downstream includes EBITDA of the Refining Block, Sales and Distribution Block, Energy Block, HIP-Petrohemija, as well as other organizational units within Downstream.
[27]EBITDA of the Refining Block includes the Energy Plant in Pančevo Oil Refinery.
[28]EBITDA of the Sales and Distribution Block.
[29]Financing, excluding VAT. The Downstream CAPEX includes CAPEX of Refining Block, Sales and Distribution Block, Energy Block, HIP-Petrohemija and the rest of Downstream.
[30]Lost Time Injury Frequency – The ratio of employee injuries with sick divided by the total number of working hours multiplied by one million. The indicator is calculated cumulatively from the beginning of the year, and the displayed data represents the current situation as of 30 September, 2026.

Refining

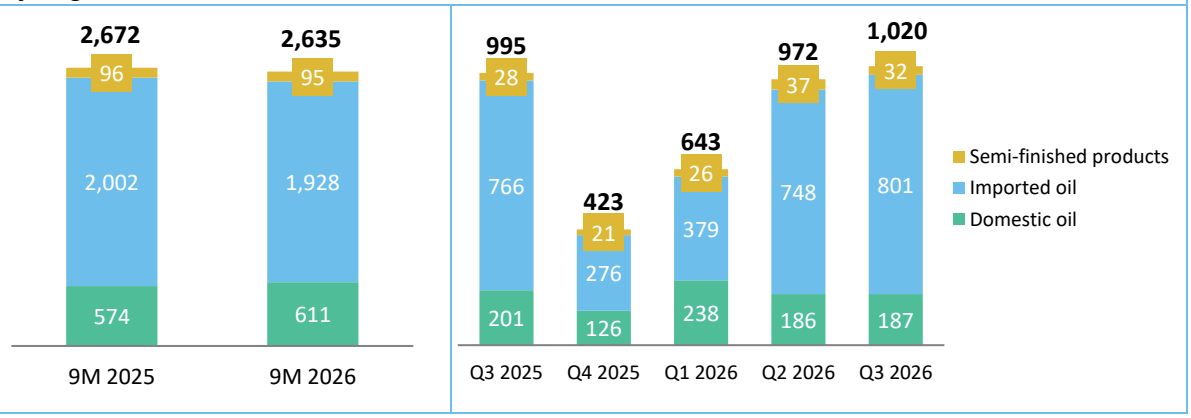
During the first nine months of 2026, Refining Block operations faced a volatile business environment – NIS being subject to the US sanctions and operating under short-term licenses, including the geopolitical situation that brought about changes in the oil supply market in terms of availability for supply and rising prices and premiums.

Due to the current circumstances, during the first nine months of 2026, a total 2,635 thousand tonnes of raw material[31] were processed at the level of the NIS Group, while the Refining Block processed 2,705 thousand tonnes of raw material.

During the third quarter, the Refinery processed 1,039 thousand tonnes of crude oil and semi-finished products[32], which is 1.7% higher compared to the third quarter of the previous year.

Refining activities and volume

Refining volume[33], thousand tonnes



After NIS obtained a specific license drom the U.S. Treasury Department's on 31 December 2025, crude oil was delivered to the Pančevo Oil Refinery in January 2026.

The Refinery downtime was used for turnaround activities aimed to improving reliability of the plants – overhaul of the S-4700 plant and catalyst replacement on the DC-4302 reactor of the DHT plant.

After more than a month of downtime of the Pančevo Oil Refinery, in January start up activities were carried out and the plants successfully started commercial operation. Given that the production plants were commissioned during the winter, this process entailed a lot of risk.

The Refinery start-up, after the shutdown exceeding one month, was successful and in accordance with the adopted schedule and Company procedures, while adhering to the highest environmental and safety standards.

Once the plant were put into operation, the Refining Block adapted to changes in the basket of imported oil for refining, driven by movements in the spot market and procurement opportunities in the current circumstances.

Due to the record low water level of the Danube during the summer months of 2026, the units of the Pančevo Oil Refinery operated at high capacities to ensure market supplies and maintain energy stability.

In September 2026, the monthly refining and processing volume exceeded 403 thousand tonnes (for the first time after May 2022, when the record-high volume was recorded of 416 thousand tonnes).

A modernised industrial railway track has been put into operation at the Pančevo Oil Refinery, and the completion of the reconstruction has restored the marshalling yard for receiving and dispatching trains to full

[31]The presented refining volume represents the consolidated refining volume of the NIS Group (Refining Block and HIP-Petrohemija). At the level of the Refining Block, the total refining volume is 2,705 thousand tonnes, of which the volume of imported oil refining is 1,928 thousand tonnes, the volume of domestic oil refining is 611 thousand tonnes, while the volume of semi-finished products refining is 166 thousand tonnes.

[32]The presented refining volume represents the refining volume of the Refining Block. At the level of the NIS Group during third quarter of 2026 the total refining volume is 1,020 thousand tonnes, which is 3% more comparing to the same period last year.

[33]The presented refining volume represents the consolidated refining volume of the NIS Group (Refining Block and HIP-Petrohemija). At the level of the Refining Block, the total refining volume is 2,705 thousand tonnes, of which the volume of imported oil refining is 1,928 thousand tonnes, the volume of domestic oil refining is 611 thousand tonnes, while the volume of semi-finished products refining is 166 thousand tonnes. Any deviations and aggregate values result from rounding.

capacity, significantly improving the refinery's logistical efficiency. The project was very demanding and complex, given that it was carried out without disrupting traffic or halting the receipt and dispatch of petroleum products at the Refinery.

The priority remains the uninterrupted refinery operations, along with the activities implemented to increase operational efficiency. During the first nine months of 2026, the effect of efficiency measures worth RSD 0.3 billion was achieved.

With the introduction of new legal obligations in the field of GHG emissions in the Republic of Serbia, the Company prepared and verified annual reports for the first time.

GHG emission reports were prepared for facilities at five locations, and the biggest challenge was the verification of emissions for the Pančevo Oil Refinery and HIP-Petrohemija. Annual GHG emission reports were prepared based on previous Monitoring Plans (and other technical documentation), as well as obtained GHG emission permits. After preparation, the reports undergo independent verification by accredited companies, confirming that the data are accurate and reliable, the methodologies in line with applicable regulations, and the calculations performed correctly.

The fifth internship cycle for operators has started. High school graduates were given the opportunity to take their first career steps and work in their fields. The internship program for operators is a six-month paid programme aimed at supporting young people at the beginning of their careers. This year, participation is enabled to students completed selected programmes at the Pančevo Secondary School of Mechanical Engineering, the 23. May Secondary Technical School, and Nikola Tesla Secondary School of Electrical Engineering in Pančevo.

Projects

The following projects aimed at increasing the efficiency and reliability of the Pančevo Oil Refinery are underway:

- "Project for the Installation of the System for Automatic Marker and Additive Dosing and Injection to Motor Fuels at the Pančevo Oil Refinery Loading Terminal" – the project was fully approved and, the contract for equipment and services delivery was signed. Construction and installation works were completed. After functional testing, the new additive injection system was started up. The technical solution for the marking system is undergoing revisions.
- "Project for Reconstruction of the Fire Suppression System in the Pančevo Oil Refinery" – Work on the reconstruction of the FB-1701/1702 reservoir is underway, as well as construction of an electrical substation, a fire water pumping station, and a fire foam concentrate storage station. In addition, work is performed on the construction of manholes, the installation of a hydrant network and the distribution of foam concentrate to several locations in the Pančevo Oil Refinery, in accordance with the approved scope, schedule and the building permit.
- "Replacement of Critical Rotating Equipment in the Refining Block" – The project charter was approved for the replacement of critical rotating equipment on S-100 and S-2400. For the procurement of equipment under LOTs 1, 7, 8 and 9, contracts were signed with suppliers for the delivery of 16 pieces of equipment on S-100 and S-2400, with the delivery deadline before the plant shutdown in 2027. All equipment suppliers submitted the required technical documentation for the equipment, and the Detailed Design is currently being prepared. STC NIS – Naftagas LLC has been selected as the General Contractor, and the contract approval and signing are underway.
- The scheduled activities for the preparation of process plants for operation in the summer months and under extreme ambient temperatures were completed. An intensified preventive inspection of equipment was carried out, additional chemical cleaning of rotary equipment cooling microsystems, hydro-blasting and cleaning of air coolers of the plant, regular maintenance of industrial cooling devices and regular maintenance of the cooling water mist system. These activities ensured smooth, reliable, and efficient operation of the plant even in extreme summer conditions and at required high processing capacities.
- The catalyst at the S-300 unit has been replaced, ensuring increased product yields and stable unit operation.
- Preparations are underway for scheduled overhaul activities at the S-2400 unit, the switch to winter operating mode, and the production of winter diesel fuel components.

Sales and distribution

Points of Sale[34] and Logistics

The NIS Group operates 384[35] active retail facilitites. Most of them, precisely, 327 retail facilitites are located in the Republic of Serbia.

Reconstruction work on R6 and R7 tanks at the Novi Sad fuel depot commenced in mid June.

The completion of project works for the reconstruction of 3 petrol stations. The start of implementation of two petrol stations is planned in the last quarter of 2026, with the commissioning of all three petrol stations is planned in 2027.

During June, 5 new fuel tank trucks were delivered for the needs of Sales and distribution Block.

Loyalty programmes and marketing activities

In the first nine months of 2026, marketing activities were carried out in Serbia to develop consumer brands, loyalty programmes, improve fuel sales and the additional assortment at petrol stations.

These are the most important marketing activities that stood out in the period January – September 2026 in Serbia:

- After the complete reconstruction of the Aerodrom Surčin petrol station in the first quarter, a promotional campaign was conducted through a CRM campaign and the corporate website. The campaign lasted until 31 January, 2026. The goal was to increase the overall attractiveness of the product range, support sales, and attract new customers. The G-Drive fuel discount campaign was carried out in the second and third quarters. Under the campaign, all customers purchasing G-Drive 100 petrol or G-Drive diesel received a discount of RSD 10 per litre throughout the promotional period. The campaign was aimed at increasing (maintaining) the sale of petroleum products in the Serbian retail market, activating and attracting new consumers, and sustaining competitiveness amid the increased activity of other oil companies on the domestic market.
- With regard to expanding the network of petrol stations equipped with self-service checkouts for payment of fuel, and products from the store and the restaurant, the promotion of new cash registers continued on social media and within the “On the road with us” loyalty programme application. In addition to self-service checkouts, “Cash withdrawal”, “IPS – Show”, “Monthly Bill Payment" and “Deferred Payment by Dina Cards” were communicated on social media. As part of the TAG device promotions, a social media campaign and POSM materials have been prepared.
- “On the Road with Us” loyalty programme – The recorded number of active users in the first nine months of 2026 totals 748,904, out of which 250,313 are virtual. The number of new virtual members since the beginning of the year is 21,975, and the number of active mobile application users is 430,798. In the first nine months, monthly CRM campaigns were conducted with the aim of reactivating inactive programme members, increasing purchase of branded petroleum products, and increasing non-fuel sales.
- Social media/online content partners/website – During the first quarter of 2026, the focus was on marketing activities offering a discount of RSD 5 per litre for payments made via banking applications. The campaign was conducted on two occasions. During the second quarter of 2026, the focus shifted to the campaign offering a discount of RSD 10 per litre for G-Drive fuels.

[34] As at 30 September 2026.

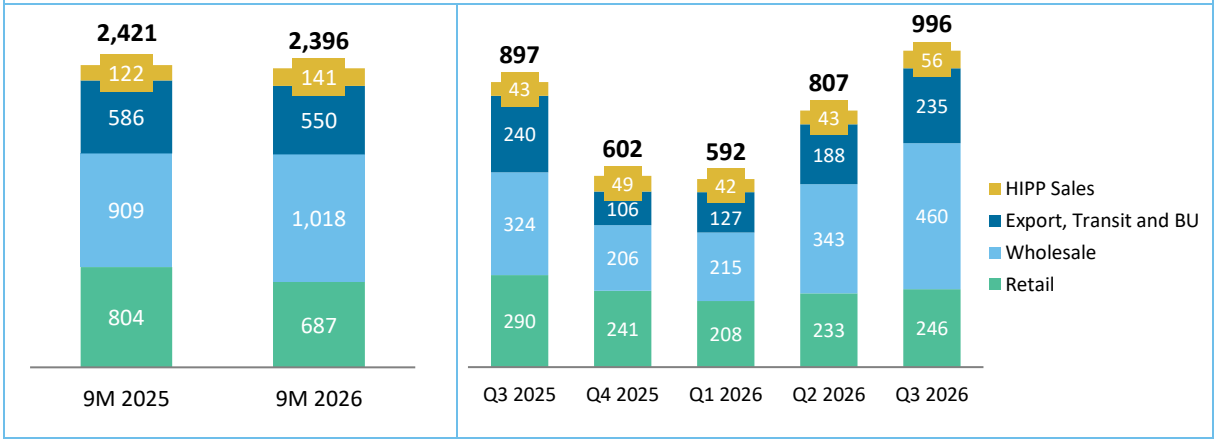
[35] Notwithstanding the fact that NIS j.s.c. obtained the specific licence as of 31 December 2025 - to be subsequently extended in 2026, as of 9 October 2025, when the full-scale sanctions entered into force, the operation of petrol stations in Bulgaria has been temporarily suspended. Petrol stations in Bulgaria have been leased as of September 2026.

Volume of sales

In the first nine months of 2026, a 1% sales drop was recorded compared to the same period in 2025, with the total sales was 2,396 thousand tonnes.

- Retail – decrease of 15% due to:
  - decrease of sales in Serbia due to sanctions imposed on NIS, resulting payment difficulties at petrol stations. Payment at NIS PSs can only be made in cash, as well as by DINA card or IPS, or by using corporate cards for legal entities;
  - decline of sales in foreign assets as a consequence of the current geopolitical situation.
- Wholesale[36] – increase of 12% due to:
  - increas in sales activities, impact of the oil crisis, unscheduled suspension of the MOL refinery, ban on exports from Serbia and Russia, and, lately, drop in the Danube water level, leading to increased sales.
- Export, transit and BU [37]:
  - transit sales volumes went up by 20% primarily due to an increase in demand for heavy fuel oil and propylene,
  - aviation fuel sales dropped by 25% compared to the same period in 2025, due to the inability to conduct wholesale exports and resales as a consequence of sanctions and short-term licenses,
  - a 22% drop in sales in the bunkering channel caused by additional difficulties in transactions with foreign clients, due to termination of contracts with certain clients, as a consequence of sanctions on NIS, as well as low Danube level,
  - an 11% decrease in bitumen and coke sales, due to the optimisation of crude oil consumption that led to lower availability in the Pančevo Oil Refinery, caused by increased quantities of light petroleum products, and a decrease in sales following sanctions against on NIS.

Volume of sales[38], thousand tonnes

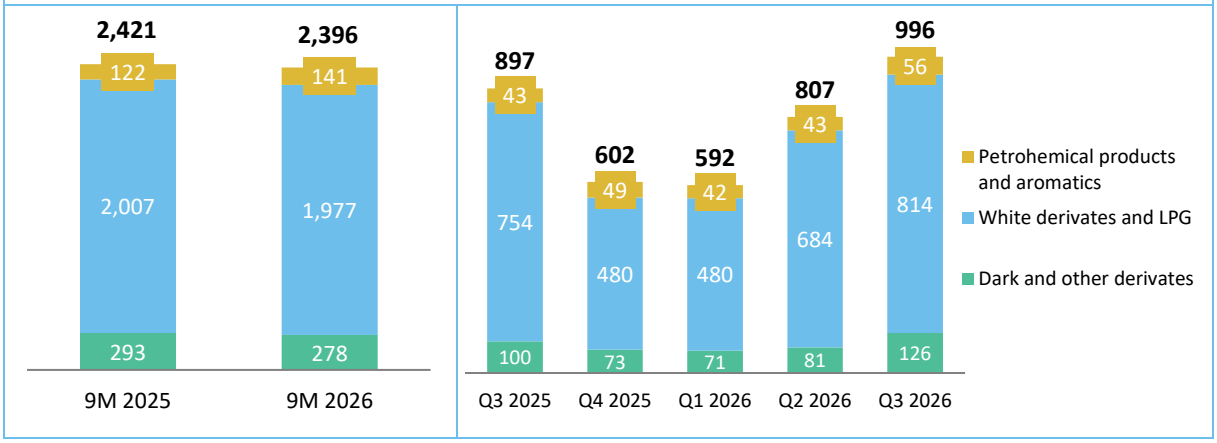


[36]Including the sale of oils and lubricants of the Downstream Lubricants Production Unit.

[37] BU includes the sale of petroleum products through the bitumen, bunkering, and aviation fuel channels. As of 2026, the sale of lubricants is reported within the BU, whereas in the previous periods it was reported within the Wholesale sales volume.

[38]The sales volume shown represents the consolidated sales volumes of the NIS Group (Sales and Distribution Block and HIP-Petrohemija). At the level of the Sales and Distribution Block, the sales volume amounts to 2,548 thousand tonnes: retail sales volume is 687 thousand tonnes, wholesale sales volume is 1,024 thousand tonnes, while transit, technological export, and BU (business units) amount to 837 thousand tonnes. Any deviations in aggregate values result from rounding.

Structure of sales[39], thousand tonnes



[39]The sales volume shown represents the consolidated sales volumes of the NIS Group (Sales and Distribution Block and HIP-Petrohemija). At the level of the Sales and Distribution Block, the sales volume amounts to 2,548 thousand tonnes: retail sales volume is 687 thousand tonnes, wholesale sales volume is 1,024 thousand tonnes, while transit, technological export, and BU (business units) amount to 837 thousand tonnes. Any deviations in aggregate values result from rounding.

Energy

Natural gas

For the purpose of organising and balancing the natural gas portfolio of NIS j.s.c. Novi Sad, natural gas transmission capacity for the 2026/2027 gas year was secured in the third quarter of 2026.

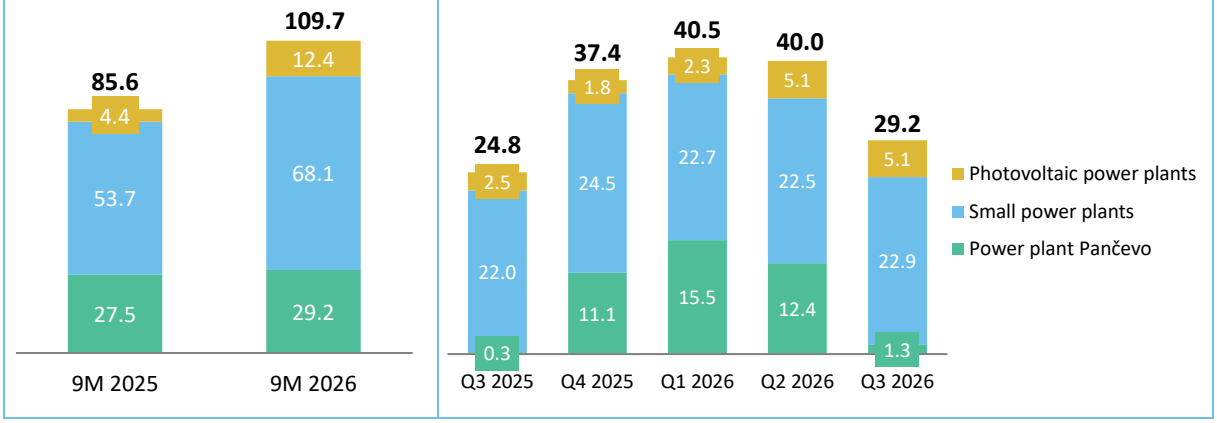
Production of electricity

In the first nine months of 2026, electricity production amounted to 109.7 thousand MWh, which is an increase compared to the same period in 2025, when it was 85.6 thousand MWh. In the third quarter of 2026, electricity production amounted to 29.2 thousand MWh, which is 18% higher compared to the same period in 2025.

Small power plants produced 4% more electricity than in the third quarter last year.

Production from solar panels amounted to 5.1 thousand MWh in the third quarter of 2026, and 12.4 thousand MWh in the first nine months of 2026, which is 3 times higher than in the same period in 2025.

Volume of produced electricity[40], in thousands of MWh



Implementation of the Programme of Energy Efficiency Measures in NIS j.s.c. Novi Sad

Through the programme of measures for reducing energy consumption and increasing energy efficiency in the third quarter of 2026, the expected effect of energy savings is about 771 t.o.e, with the expected financial value of the savings of about RSD 94 million.

Renewable energy sources

The largest solar photovoltaic power plant owned by the Company, installed on 10 hectares of free space in the Novi Sad Oil Depot, began operating in 2025. Considering its capacity of 6.8 MWp, and its commissioning tripled the production capacity of solar power plants owned by NIS.

The project of construction of the 3.18 MWp Smederevo PVPP plant, with a battery energy storage system (BESS), is underway.

The project for the construction of the ground-mounted Elemir solar power plant, with an installed capacity of 1.8 MWp, has beend prepared. This will be the Company's first solar power plant to have photovoltaic panels mounted on a rotating structure enabling automatic daily tracking of the sun's trajectory, leading to a significantly higher production and increased financial effects of the project. The project charter was approved, and a turnkey contractor was selected.

The positive trend of construction of small PVPPs at NIS petrol stations continues. The project charter was approved, and a turnkey contractor was selected for another 19 company-owned petrol stations, with a total capacity of approximately 0.51 MWp.

[40]The presented volume of produced electricity also includes the electricity produced in Power plant Pancevo, small power plants and photovoltaic power plants. Any deviations in aggregate values result from rounding.

HIP-Petrohemija

Key indicators

Q3 2026	Q3 2025	Key indicators	Unit of measurement	9M 2026	9M 2025
81.1	84.4	**Production of petrochemical products**	thous. tonnes	**222.1**	211.5
103.6	106.8	**Refining of primary gasoline**	thous. tonnes	**283.6**	269.0
79.0	73.4	**Petrochemical product sales**	thous. tonnes	**225.8**	195.4
-3.2	-2.4	**EBITDA**	RSD billion	**-4.1**	-6.5
-3.6	-2.8	**Net result (net profit/net loss)**	RSD billion	**-5.1**	-7.4
0.4	0.1	**CAPEX**[41]	RSD billion	**0.5**	0.6
4.9	7.0	**LTIF**	number	**4.9**	7.0

In the first nine months of 2026, the EBITDA indicator was negative and amounted to RSD -4.1 billion, which is an increase compared to the same period of the previous year. In the first nine months of 2025, EBITDA amounted to RSD -6.5 billion.

In the first nine months of 2026, the net loss was RSD -5.1 billion, which is an increase compared to the same period of the previous year.

As for operational indicators, in the first nine months of 2026, the production volume of petrochemical products amounted to 222.1 thousand tonnes, which is 5% more than in the same period of last year, while the refining of primary gasoline was 283.6 thousand tonnes, which is 5% more than in the same period of the last year.

The sales of petrochemical products in the first nine months of 2026 amounted to 225.8 thousand tonnes, which is 16% more compared to the same period of last year.

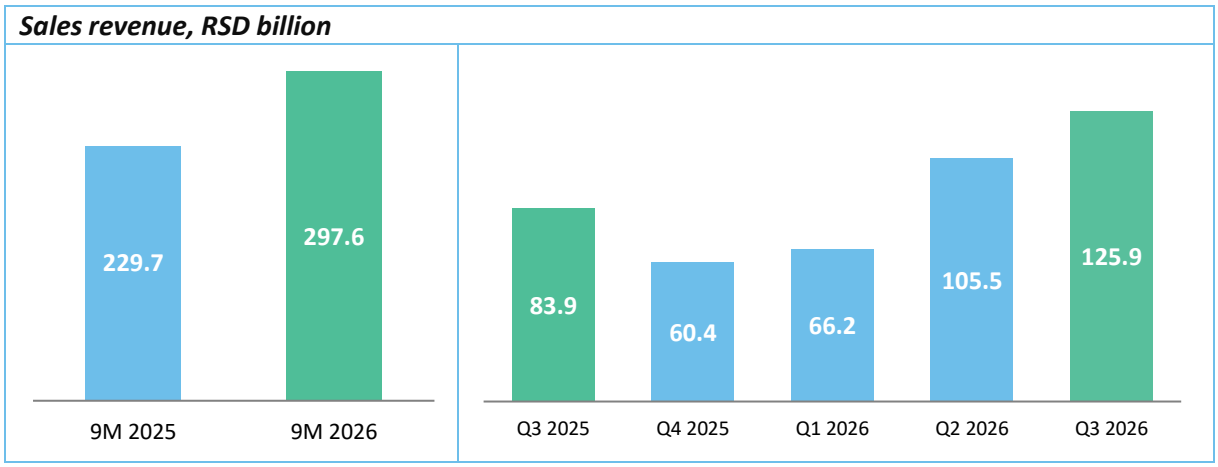
During the third quarter of 2026, RSD 0.4 billion was allocated for investment funding, while in the third quarter of 2025, RSD 0.1 billion was allocated. Total investment funding for the first nine months of 2026 historical stands at RSD 0.5 billion, representing a 9% decrease compared to the same period in 2025.

[41] Financing, excluding VAT.

Financial indicators

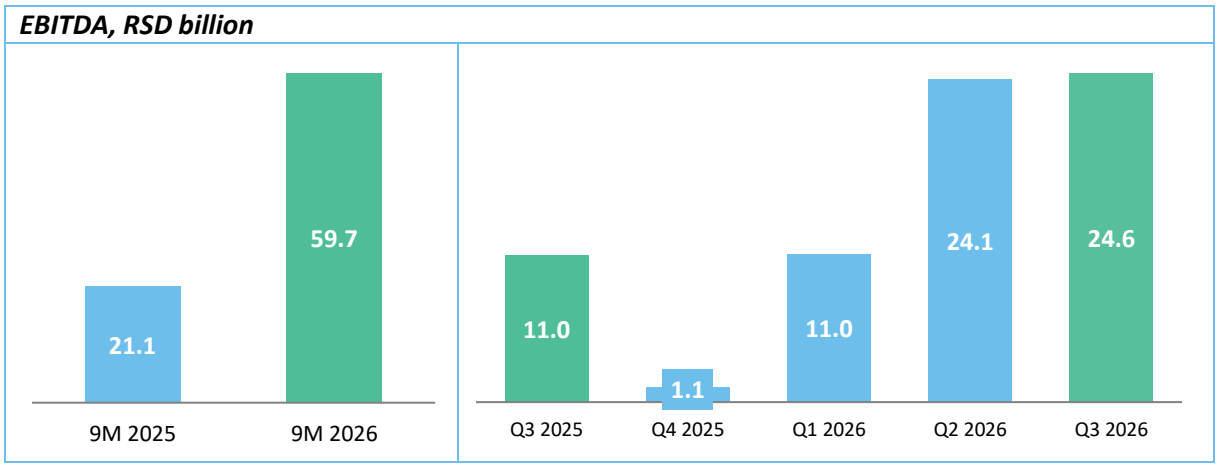
Sales revenues

During the first nine months of 2026, an increase in sales revenues was recorded compared to the same period of the previous year and amounted to RSD 297.6 billion.



EBITDA

The EBITDA indicator in the first nine months of 2026 recorded an increase compared to the same period last year and amounted to RSD 59.7 billion.

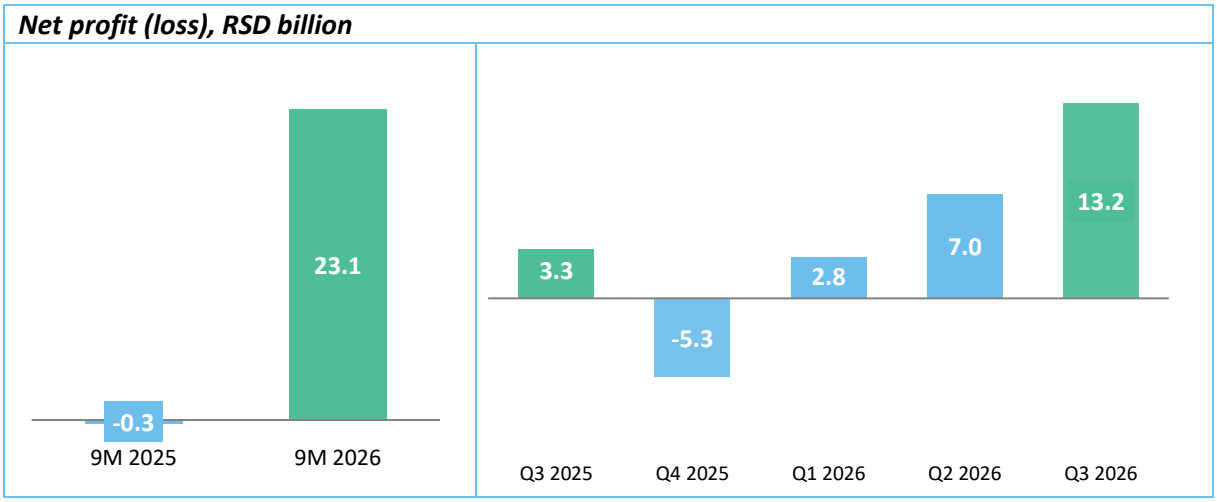


The year-over-year growth of the EBITDA indicator for 9M 2026 is attributable to the rise in crude oil and petroleum product prices on the global market, along with the positive effect of “low-cost” inventories, cost optimisation, and sales growth.

Apart from the positive effects, the result reflects the negative effects of unfavourable crude oil purchase premiums resulting from geopolitical conflicts. State price regulation, aimed at mitigating price increases on the domestic market, also had an impact on this indicator.

Net profit

In the first nine months of 2026, the net profit amounts to RSD 23.1 billion, which is an increase compared to the same period last year when the indicator amounted to RSD -0.3 billion.

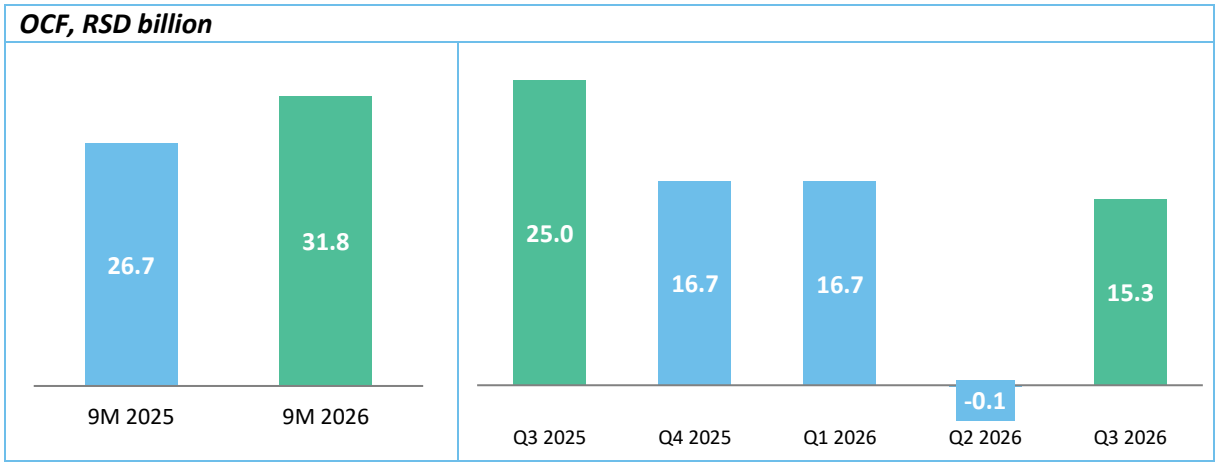


The increase in the net profit indicator for the first nine months of 2026 compared to the same period last year was caused by the growth in EBITDA.

Despite the positive contribution of EBITDA, depreciation expenses increased in June 2026 due to the recognition of impairment losses on assets in Romania and Bulgaria (the effect of impairment[42] amounts to RSD 6.3 bilion). Lower income from the share in net profit of joint ventures had an additional negative impact.

OCF

In the first nine months of 2026, the operating cash flow amounts to RSD 31.8 billion, and it is higher compared to the same period last year.



The increase of the OCF indicator in the first nine months of 2026 was influenced by:

- Higher inflows from operating activities.

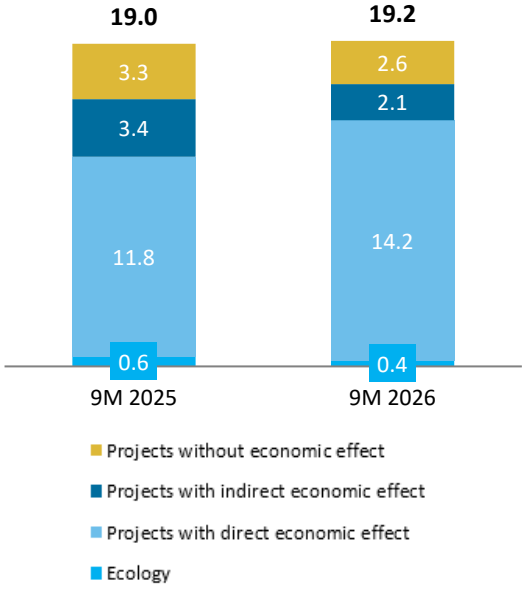
[42]Without effect on corporate income tax. Impairment with effect on corporate income tax amounts to RSD 5.2 billion.

CAPEX

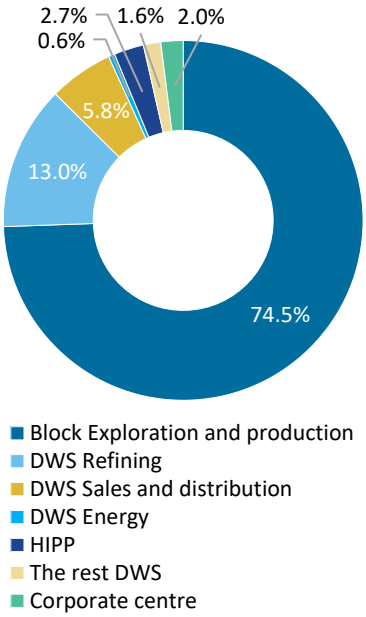
In the first nine months of 2026, the main areas of investment were projects aimed at oil and gas production. A significant part of the investment belongs to investments in drilling, followed by oil refining projects, as well as transport and logistic projects. In addition, NIS invested in projects in the field of energy and services, as well as in a certain number of projects in the corporate center.

In the first nine months of 2026, RSD 19.2 billion was allocated for investment.

CAPEX by type of project[43], RSD billion



Investments by segments[44], in the first nine months of 2026



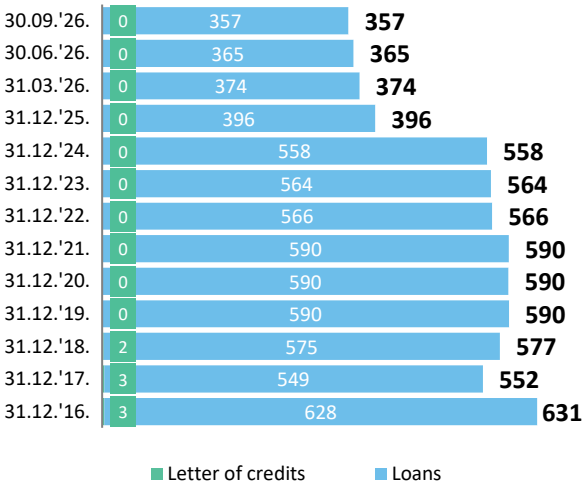
[43] Financing, excluding VAT. Any deviations in aggregate values result from rounding.
[44] Any deviations in aggregate values result from rounding.

Organisation unit	Major projects in the first nine months of 2026
Exploration and Production	• drilling of development wells • investing in geological and technical activities • infrastructure projects
Services	• equipment procurement and investment maintenance
Refining	• projects aimed at ensuring compliance with legal norms and regulations • investment maintenance projects • environmental projects • procurement of catalysts for S-300 • reconstruction of the fire protection system
Sales and Distribution	• reconstruction of the Novi Sad petroleum products storage facility • financing of leasing of tank cars
Rest of Downstream projects (Energy, Technical services and HIPP)	• solar photovoltaic projects • energy efficiency projects • activities on the HIPP project – Polypropylene • procurement of scaffolding for THS
Corporate Centre	• projects related to maintenance of software solutions and process digitalisation

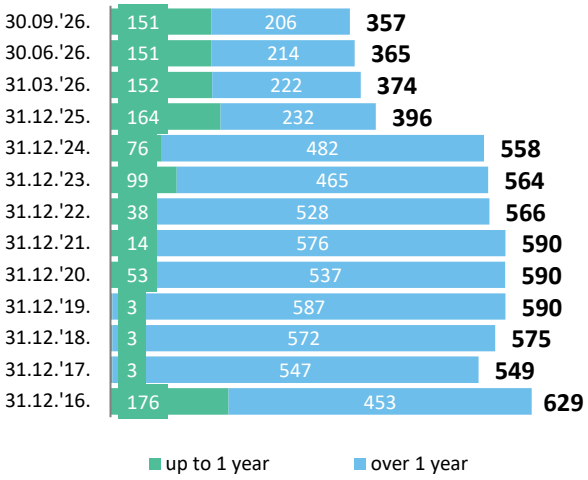
Debt based on bank loans

At the end of the third quarter of 2026, the debt to banks is lower than at the end of 2025 and amounts to EUR 357.4 million.

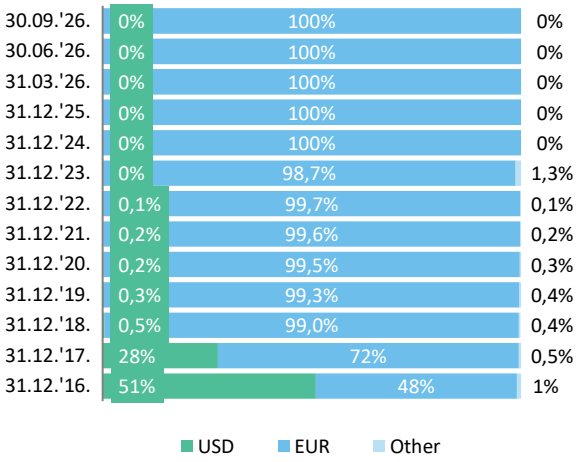
Total bank indebtedness[45], EUR million



Total bank debt trends with maturity structure[46], EUR million



Total bank debt structure, by currency, in %



[45] In addition to the bank debt and Letters of Credit as at 30 September 2026, NIS j.s.c. Novi Sad holds issued bank guarantees in the amount of EUR 22.6 million, corporate guarantees in the amount of EUR 187.0 million and financial leasing in the amount of EUR 18.9 million. Any deviations in aggregate values result from rounding.

[46] Any deviations in aggregate values result from rounding.

Taxes and Other Public Revenue[47]

NIS j.s.c. Novi Sad	9M 2026	9M 2025
Social insurance contributions paid by employer	2.08	1.99
Energy efficiency fee	0.30	0.27
Corporate tax	5.43	-0.73
Value-added tax	28.91	21.93
Excise duties	115.44	122.66
Fee for Mandatory Commodity Reserves	5.13	4.72
Customs duties	1.67	1.19
Royalty	1.46	1.41
Other taxes	1.38	1.27
Total	**161.80**	**154.71**
NIS subsidiaries in Serbia, region and Angola		
Social insurance contributions paid by employer	2.03	1.96
Energy efficiency fee	0.00	0.005
Corporate tax	0.36	0.07
Value-added tax	2.65	2.44
Excise duties	2.03	6.72
Customs duties	2.36	2.26
Royalty	0.02	0.02
Other taxes	0.25	0.27
Total	**9.70**	**13.73**
Deferred taxes (total for Group)	-0.67	-0.74
Total NIS Group[48]	**170.82**	**167.70**

The amount of accrued liabilities for public revenues for NIS Group in the first nine months of 2026 totalled RSD 170.82 billion, which is a increase of 2% on the same period in 2025.

[47] In RSD billion. Any deviations in aggregate values result from rounding.

[48] Including taxes and other liabilities for public revenues NIS j.s.c. Novi Sad, for subsidiaries in Republic of Serbia and in the region, corporate tax in Angola and deferred taxes.

Securities

Share capital structure

NIS j.s.c. Novi Sad share capital is RSD 81.53 billion and is divided into a total of 163,060,400 shares with a nominal value of RSD 500. All issued shares are ordinary shares, vesting their holders with the following rights:

- right to participate and vote at the assembly meetings, according to one-share-one-vote rule;
- right to receive dividends in compliance with applicable legislation;
- right to participate in the distribution of the company assets remaining after liquidation or of a bankrupt's estate in compliance with the bankruptcy law;
- pre-emptive right to buy ordinary shares of a new issue and other financial instruments tradable for ordinary shares, of a new issue and
- other rights in accordance with the Company Law and corporate documents.

All shares issued by the Company are included in trading on a regulated market.

Share trading and indicators per share

By decision of the Belgrade Stock Exchange, and at the request of the Securities Commission, trading in shares of NIS j.s.c. Novi Sad was temporarily suspended on 14 January 2025. Based on the decision of the Securities Commission, the Belgrade Stock Exchange issued a decision on January 21, 2025, to extend the temporary suspension of share trading. The suspension will remain in effect until the underlying reasons are no longer present.

During the first nine months of 2026, the Company did not acquire its own shares.

Dividends

NIS j.s.c. Novi Sad dividend policy is based on a balanced approach, which takes into account the necessity to retain earnings for the purposes of future investment, the rate of return on invested capital and the amount for dividend payment. The long-term dividend policy stipulates a minimum of 15% of net profit is to be paid to shareholders in dividends.

When deciding on profit distribution and dividend payment, the corporate management takes into consideration a number of factors, including the financial standing, investment plans, loan repayment obligations, the macroeconomic environment and legislation. Each of these factors, either individually or combined, if significant, may affect the proposed dividend payment.

Pursuant to the decisions of the 18th ordinary meeting of the NIS j.s.c. Novi Sad Shareholders' Assembly, held on 25 June 2026, the dividends for 2025 will not be paid out.

	Net profit (loss), RSD bn[49]	*Total amount of dividend, RSD bn*	*Payment ratio*	*Earnings per share, RSD*	*Dividend per share, gross, RSD*	*Share price as at 31 December, RSD*	*Shareholders' dividend yield, in %*[50]
2009	(4.4)	0.0	-	-	0	-	-
2010	16.5[51]	0.0	-	101.1	0	475	-
2011	40.6[52]	0.0	-	249	0	605	-
2012	49.5	12.4	25%	303.3	75.83	736	10.3
2013	52.3	13.1	25%	320.9	80.22	927	8.7
2014	30.6	7.6	25%	187.4	46.85	775	6.0
2015	16.1	4.0	25%	98.8	24.69	600	4.1
2016	16.1	4.0	25%	98.6	24.66	740	3.3
2017	27.8	6.9	25%	170.43	42.61	724	5.9
2018	26.1	6.5	25%	159. 86	39.97	690	5.8
2019	17.7	4.4	25%	108.55	27.14	749	3.6
2020	(5.9)	1.0	-	(36.24)	6.14	644	1.0
2021	23.1	5.8	25%	141.85	35.46	620	5.7
2022	93.5	23.4	25%	573.14	143.29	675	21.2
2023	41.9	10.5	25%	257.05	64.26	812	7.9
2024	18.4	4.6[53]	25%	112.72	28.18	754	3.7
2025	(12.2)	-	-	(75.02)	-	-	-

[49] Net profit of NIS j.s.c. Novi Sad.
[50] Calculated as the ratio of gross dividend to share price at the end of the year for which the dividend is paid.
[51] Net profit used for coverage of accumulated losses.
[52] Net profit used for coverage of accumulated losses.
[53] The Company paid dividends to shareholders from the profit generated in 2024, except for shareholders for whom, in accordance with the decision of the Board of Directors of NIS j.s.c Novi Sad, the payment was temporarily postponed until their exclusion from the SDN list of the US Department of the Treasury. NIS paid RSD 2.5 billion to shareholders in dividends from the profit generated in 2024.

Bonds

Bonds are financial instruments, i.e. debt securities issued by a state, a company or another legal entity in order to raise certain financial resources. On the basis of the bond, the bond issuer undertakes to return a certain amount of money to the investor and pay interest for a defined period of time.

A legal holder of bonds issued by NIS has the following rights:

- the right to payment of the principal upon maturity,
- the right to payment of interest,
- in the event of the Company's delay in paying the coupon or principal, the right to payment of the value of the due coupon or principal together with default interest calculated for the period of delay in dinars at the rate of the statutory default interest rate valid in the Republic of Serbia on the date of calculation of the default interest
- the right to dispose of the bonds and the right to transfer ownership of the bonds to third parties without restrictions in accordance with applicable regulations.

Basic information about bonds of NIS j.s.c. Novi Sad	
Nominal value	RSD 10,000
CFI code	DBFUFR
ISIN no.	RSNISHD82111
Bond issue designation	I (first) issue
Posting date to proprietary accounts	December 20, 2024
Due date	5 years or 1,825 days
Due date	December 19, 2029
Interest rate	Fixed interest rate of 6.50% per annum and quarterly payment of an interest coupon starting from the issuance date.
Method of calculation of interest	The formula for calculating the amount of interest for the interest period is as follows: K = Nk *x* pk *x* 0.25 where the following letters shall have the following meanings: K: the amount of quarterly interest to be paid pk: the amount of the interest rate on an annual basis Nk: EUR equivalent of the nominal value of an individual bond at the middle exchange rate of the NBS on the date of issuance.

In the third quarter of 2026, the seventh coupon payment was made, based on the first issue of corporate bonds of the Company.

Human resources

As one of the top employers in Serbia, NIS strives to constantly adapt to the labour market, employees' expectations and the needs of the business. The greatest effort is invested in the stability of the company as an employer, programmes focused on the recruitment and development of the young, new models of motivation, learning and development, and the promotion of the culture of respect in the Company.

NIS' HR strategy, new corporate values, and employer value proposition (diversity and inclusion initiative, employer brand strategy and learning and development strategy) have produced a large number of HR projects and initiatives. They are design to improve the experience of both candidates and employees of NIS, starting from recruitment to rewarding, remuneration and benefits, development and promotion.

NIS' long-term goal is to strengthen employee engagement and improve HR practices, with the aim of offering the best possible employee experience. During the first quarter, preparations were made for a new concept of the "First Time Manager" programme. This programme helps employees who have just taken over a management position improve their managerial and leadership skills. The new concept of the "First-Time Manager" programme was launched in the second quarter for 93 employees; with 27 workshops held to date, giving employees the opportunity to familiarise themselves with various aspects of HR processes, HSE leadership, and the Company's strategy, as well as to participate in soft skills training. The second cycle of the "First-Time Manager" programme began in the third quarter, with 3 workshops conducted so far for 32 employees.

As part of the young talent agenda, the 10th season of the "NIS Calling" youth program was launched with 21 participants . Early activities for the participants included an opening ceremony, tours, and lectures at the Science and Technology Centre, the Pančevo Oil Refinery, and at the HIP-Petrohemija, alongside two additional educational workshops and a social gathering. Furthermore, with the aim of boosting digital literacy and enhancing employee knowledge, a "Digital Day" was organised for "NIS Calling" participants and their mentors; the event featured lectures delivered by employees the partner company representative, as well as a case study and working with artificial intelligence. In addition, preparations for the promotional campaign for the 11th season of the progra are underway, set to be implemented in for the fourth quarter.

The fifth season of the operator internship programme has launched with 28 participants following an opening ceremony, while preparations for the sixth season of the programme are underway.

As part of the HR digitalisation initiative, the procurement of the recruitment and selection module is in progress, and the "100 Days of Knowledge" project is being developed, with implementation scheduled for the fourth quarter.

Employee number[54] and structure

At the end of the first nine months of 2026, the total number of employees was 13,392, while the average number was 12,990.

	Total number of employees as at:	
Organisational unit	**09/30/2026**	**09/30/2025**
NIS j.s.c. Novi Sad	5,253	5,312
Subsidaries	8,139	8,635
TOTAL[55]:	**13,392**	**13,947**

[54] The number of employees does not include employees hired through the Contract of Services. On September 30, 2026 there are 85 employees hired through the Contract of Services with the NIS j.s.c. Novi Sad.

[55] Employees with shared working hours are shown as whole units in the associated Company.

Research and development

In all segments of its business, NIS is dedicated to continuous technological development and introduction of innovations into business.

The Scientific and Technological Centre (STC NIS – Naftagas LLC Novi Sad) provides the business with scientific, technical and innovation support in the field of exploration and production of oil and gas. Implementation and development of new technologies, scientific research and increasing the efficiency of oil and gas exploration, production and refining are a constant focus of management and employees of the Science and Technology Centre.

In the third quarter of 2026 the following activities in the area of geological research, geology, reservoir engineering and production in Serbia were implemented:

- Regional studies for the geological exploration project were completed;
- Sites for exploration drilling have been prepared;
- Geological and hydrodynamic models for key fields were completed;
- 15 simplified mining designs for drilling were prepared.

During the third quarter, the DWS Laboratory accomplished the following:

- The Downstream Laboratory organised and fully executed a set of various inter-laboratory examinations by testing scope (BMB, petroleum coke, and natural gas) with domestic laboratories. The objective of these inter-laboratory comparisons is to verify the technical competence of the laboratory, as well as to test and continuously ensure the quality, accuracy, and analytical reliability of the test results.
- Intensive preparations were carried out for the upcoming audit by the Accreditation Body of Serbia for transferring to a combined Scope of Accreditation (fixed + flexible), aiming at faster fulfiment of the requirements of technical regulations governing petroleum product quality.

Corporate governance

Corporate governance system

The Company has established a one-tier governance system, where the Board of Directors has the central role in the corporate governance. The Board of Directors is responsible for the implementation of the objectives and the achievement of results, while the shareholders exercise their rights and control primarily through the Shareholders' Assembly.

The provisions of the Articles of Association fully and clearly differentiate between the scope of work of the Board of Directors and the scope of work of the Shareholders' Assembly, the CEO of the Company and the bodies set up by the corporate governance bodies.

Shareholders' Assembly and Shareholders' rights

As the highest authority of the Company, the Shareholders' Assembly is made up of all shareholders. All NIS j.s.c. Novi Sad shares are ordinary shares that give their owners the same rights, wherein one share carries one vote.

Board of Directors

The Board of Directors has a central role in corporate governance. It is collectively responsible for the long-term success of the Company, for setting main business objectives and identifying the company's further courses of development, as well as for identifying and controlling the effectiveness of the corporate business strategy.

Board of Directors' Committees

In order to complete its obligations more efficiently, the Board of Directors founded 3 permanent committees as advisory and professional bodies, which support its work, especially in terms of consideration of the questions under its jurisdiction, preparation and supervision of implementation of the decisions and acts adopted by BoD, as well as conduction of certain expert activities necessary for the Board of Directors. The Board of Directors has formed the following Committees:

- Audit Committee,
- Remuneration Committee,
- Nomination Committee.

The Board of Directors will appoint new members of its Committees and, is necessary, establish new regular or ad hoc committees to support the activities of the Board.

Shareholders' Assembly Board

The Shareholders' Assembly Board for the Supervision of Operations and the Procedure for Reporting to Company Shareholders (hereinafter 'The Shareholders' Assembly Board') is a body of advisors and experts providing assistance to the Shareholder's Assembly with respect to its activities and consideration of issues within its scope of competence. Members of the Shareholders' Assembly Board report to the Shareholders' Assembly, which appoints them and relieves them of duty.

Chief Executive Officer

The Board of Directors appoints one of its executive members to act as the Chief Executive Officer. The CEO coordinates the activities of the executive members of the Board of Directors and organizes the Company's activities. In addition to this, the CEO performs daily management activities and is authorized to decide on matters which do not fall under the competence of the Shareholders' Assembly and the Board of Directors. The Chief Executive Officer is a legal representative of NIS j.s.c. Novi Sad.

CEO Advisory Board

The CEO Advisory Board is a professional body that helps the CEO in their activities and in the consideration of matters within their responsibilities. The members of the Advisory Board are determined by the Decision of CEO. The Advisory Board deals with the issues of strategy and development policy, the basis of which is set by the Shareholders' Assembly and the Board of Directors of the Company.

Related-party transactions

In the first nine months of 2026 the Group entered into business transactions with its related parties. An outline of related-party transactions is part of the Notes to the Financial Statements[56].

[56] Information on related party transactions can be found on page 83 under note number 28 of the Consolidated Financial Statements.

Financial Statements[57]

Interim Condensed Financial Statements (Unaudited)

Interim Condensed Statement of Financial Position

Assets	Note	30 September 2026	31 December 2025
Current assets		*(unaudited)*	*(unaudited)*
Cash and cash equivalents	4	31,878,719	26,887,921
Short-term financial assets	5	26,470,622	24,131,064
Trade and other receivables	6	26,544,646	33,660,332
Inventories	7	81,010,545	30,207,455
Current income tax prepayments		-	2,160,746
Other current assets	8	5,061,764	7,376,629
Assets classified as held for sale		134,263	139,187
Total current assets		**171,100,559**	**124,563,334**
Non-current assets			
Property, plant and equipment	9	297,815,873	302,189,726
Right-of-use assets	10	2,531,232	2,820,839
Investment property		1,612,158	1,660,263
Intangible assets		4,241,622	4,483,372
Investments in joint venture		1,038,800	1,038,800
Investments in subsidiaries	11	35,719,697	31,016,682
Trade and other non-current receivables		199,072	322,372
Long-term financial assets	12	4,157,879	6,467,852
Deferred tax assets		6,156,623	5,530,178
Other non-current assets	13	1,664,529	1,992,203
Total non-current assets		**355,137,485**	**357,522,287**
Total assets		**526,238,044**	**482,085,621**
Liabilities and shareholders' equity			
Current liabilities			
Short-term debt and current portion of long-term debt	14	21,839,466	21,897,240
Current lease liabilities	19	576,806	588,832
Trade and other payables	15	16,585,898	20,565,506
Other current liabilities	16	8,974,891	5,485,789
Current income tax payable		5,544,940	-
Other taxes payable	17	13,919,282	6,322,102
Provisions for liabilities and charges		3,140,162	2,384,277
Current portion of other non-current financial liabilities	20	2,377,749	29,176
Total current liabilities		**72,959,194**	**57,272,922**
Non-current liabilities			
Long-term debt	18	26,071,542	29,024,464
Non-current lease liabilities	19	808,097	1,203,313
Other non-current financial liabilities	20	10,058,251	12,313,561
Long-term trade and other payables		135,468	-
Provisions for liabilities and charges		13,366,447	12,999,305
Total non-current liabilities		**50,439,805**	**55,540,643**
Equity			
Share capital		81,530,200	81,530,200
Reserves		57,374	40,863
Retained earnings		321,251,471	287,700,993
Total equity		**402,839,045**	**369,272,056**
Total liabilities and shareholders' equity		**526,238,044**	**482,085,621**

in 000 RSD

[57] The financial statements, standalone and consolidated, have not been audited.

Interim Condensed Statement of Profit and Loss and Other Comprehensive Income

	Note	Three month period ended 30 September 2026	2025	Nine month period ended 30 September 2026	2025
		(unaudited)	*(unaudited)*	*(unaudited)*	*(unaudited)*
Sales of petroleum products, oil and gas		117,634,221	73,488,305	275,888,037	199,612,894
Other revenues		4,483,562	6,317,975	14,491,703	16,214,176
Total revenue from sales	**3**	**122,117,783**	**79,806,280**	**290,379,740**	**215,827,070**
Purchases of oil, gas and petroleum products		(73,829,635)	(46,598,547)	(168,513,405)	(130,172,318)
Production, manufacturing and cost of other sales	21	(9,947,626)	(10,007,693)	(28,014,589)	(29,023,870)
Selling, general and administrative expenses	22	(8,579,117)	(8,666,313)	(26,510,823)	(25,124,216)
Transportation expenses		(292,009)	(368,969)	(863,219)	(1,114,869)
Depreciation, depletion and amortization		(6,809,059)	(6,724,749)	(20,069,694)	(19,996,714)
Taxes other than income tax		(1,596,694)	(1,568,572)	(4,808,856)	(4,615,619)
Exploration expenses		-	-	(32)	(10)
Total operating expenses		**(101,054,140)**	**(73,934,843)**	**(248,780,618)**	**(210,047,616)**
Other (expenses) / income, net	23	(522,206)	(81,083)	(6,250,948)	51,705
Operating profit		**20,541,437**	**5,790,354**	**35,348,174**	**5,831,159**
Net foreign exchange loss	24	(136,030)	(32,147)	(186,244)	(211,042)
Finance income	25	706,886	683,173	1,773,864	1,713,824
Finance expenses	26	(842,476)	(773,418)	(2,341,515)	(2,427,619)
Total other expenses		**(271,620)**	**(122,392)**	**(753,895)**	**(924,837)**
Profit before income tax		**20,269,817**	**5,667,962**	**34,594,279**	**4,906,322**
Current income tax		(2,856,314)	(222,328)	(5,426,042)	728,963
Deferred tax income		197,941	267,189	626,444	774,878
Total income tax	**27**	**(2,658,373)**	**44,861**	**(4,799,598)**	**1,503,841**
Profit for the period		**17,611,444**	**5,712,823**	**29,794,681**	**6,410,163**
Other comprehensive income:					
Items that will not be reclassified to profit					
Loss from investments in equity instruments		-	(104)	-	(104)
Other comprehensive loss for the period		**-**	**(104)**	**-**	**(104)**
Total comprehensive income for the period		**17,611,444**	**5,712,719**	**29,794,681**	**6,410,059**
Earnings per share attributable to shareholders of Naftna Industrija Srbije					
Basic earnings (RSD per share)		108.01	35.04	182.72	39.31
Weighted average number of ordinary shares in issue (in millions)		163	163	163	163

in 000 RSD

Interim Condensed Statement of Changes in Shareholders' Equity

Nine month period ended 30 September 2026 and 2025

(unaudited)	Share capital	Reserves	Retained earnings	Total
Balance as at 1 January 2025	**81,530,200**	**41,960**	**304,582,398**	**386,154,558**
Profit for the period	-	-	6,410,163	6,410,163
Other comprehensive loss				
Loss from investments in equity instruments	-	(104)	-	(104)
Total comprehensive income / (loss) for the period	**-**	**(104)**	**6,410,163**	**6,410,059**
Dividend distribution	-	-	(4,595,042)	(4,595,042)
Balance as at 30 September 2025	**81,530,200**	**41,856**	**306,397,519**	**387,969,575**

in 000 RSD

(unaudited)	Share capital	Reserves	Retained earnings	Total
Balance as at 1 January 2026	**81,530,200**	**40,863**	**287,700,993**	**369,272,056**
Profit for the period	-	-	29,794,681	29,794,681
Other comprehensive income				
Gain from investments in equity instruments	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**29,794,681**	**29,794,681**
Other	-	16,511	3,755,797	3,772,308
Balance as at 30 September 2026	**81,530,200**	**57,374**	**321,251,471**	**402,839,045**

in 000 RSD

Interim Condensed Statement of Cash Flows[58]

	Note	Nine month period ended 30 September 2026	2025
		(unaudited)	*(unaudited)*
Cash flows from operating activities			
Profit before income tax		**34,594,279**	**4,906,322**
Adjustments for:			
Finance expenses	26	2,341,515	2,427,619
Finance income	25	(1,773,864)	(1,713,824)
Unrealised foreign exchange losses, net		173,346	161,700
Depreciation, depletion and amortization		20,069,694	19,996,714
Impairment of financial assets, net		5,913,829	(9,260)
Allowance for doubtful accounts		1,816,341	(6,483)
Other non-cash items		1,641,239	810,120
Operating cash flow before changes in working capital		**64,776,379**	**26,572,908**
Changes in working capital:			
Trade and other receivables		3,513,961	4,973,576
Inventories		(50,901,540)	(2,646,643)
Other current assets		2,477,736	1,662,291
Trade payables and other current liabilities		7,627,636	(3,726,172)
Other taxes payable		10,286,240	8,224,756
Total effect on working capital changes		**(26,995,967)**	**8,487,808**
Income taxes paid		(413,716)	(1,123,215)
Interest paid		(1,803,514)	(2,163,131)
Interest received		1,517,875	1,223,829
Net cash generated by operating activities		**37,081,057**	**32,998,199**
Cash flows from investing activities			
Loans issued		(38,458,165)	(30,302,014)
Loan proceeds received		29,861,716	21,552,315
Capital expenditures[59]		(20,016,191)	(19,901,811)
Proceeds from sale of property, plant and equipment		252,954	668,701
Net cash used in investing activities		**(28,359,686)**	**(27,982,809)**
Cash flows from financing activities			
Proceeds from borrowings	14,18	10,556,136	11,678,319
Repayment of borrowings	14,18	(13,724,345)	(13,718,636)
Repayment of lease liabilities	19	(485,008)	(475,643)
Net cash used in financing activities		**(3,653,217)**	**(2,515,960)**
Net increase in cash and cash equivalents		5,068,154	2,499,430
Effect of foreign exchange on cash and cash equivalents		(77,356)	(132,250)
Cash and cash equivalents as of the beginning of the period		**26,887,921**	**38,821,710**
Cash and cash equivalents as of the end of the period	**4**	**31,878,719**	**41,188,890**

in 000 RSD

[58] Company's policy is to present cash flow inclusive of related VAT.
[59] CF from investing activities includes VAT in the amount of 2.6 bln RSD (2025: 2.4 bln RSD)

Notes to the Interim Condensed Financial Statements[60]

1. GENERAL INFORMATION

Open Joint Stock Company Naftna Industrija Srbije, Novi Sad (the "Company") is a vertically integrated oil company operating predominantly in the Republic of Serbia. The Company's principal activities include:

- Exploration, production and development of crude oil and gas,
- Production of refined petroleum products,
- Petroleum products and gas trading and
- Electricity generation and trading.

Other activities primarily include sales of other goods, works and services.

The Company is a public joint stock company listed on the Belgrade Stock Exchange.

These Interim Condensed Financial Statements have been approved and authorized for issue by the Chief Executive Officer and will be presented to the Board of Directors for approval.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. Basis of preparation

The Company maintains its books and records in accordance with the accounting and taxation principles and practices mandated by the Serbian legislation. The accompanying Interim Condensed Financial Statements were primarily derived from the Company's statutory books and records with adjustments and reclassifications made to present them in accordance with the International Financial Reporting Standards (IFRS).

These Interim Condensed Financial Statements have been prepared on a going concern basis. In making this assessment, management considered the Company's current and projected liquidity position, access to financing, operational performance and the broader regulatory and geopolitical environment.

For the nine month period ended 30 September 2026, the Company recorded a net profit. The Company maintained a high level of positive EBITDA, reflecting the resilience of its core operations and the ability to generate operational cash flows. Management has considered this performance in its assessment of the Company's ability to continue as a going concern and in planning mitigating actions to address potential operational and financial challenges arising from sanctions and supply disruptions (refer to note 2.3. Implication of imposed US Sanctions).

Management has prepared cash flow forecasts and assessed mitigating actions, including the ongoing engagement with relevant authorities, cooperation with shareholders (including the Government of the Republic of Serbia) and other operational measures aimed at ensuring business continuity. Based on these assessments, management believes that the Company will be able to meet its obligations as they fall due for at least the next twelve months from the reporting date.

Given the inherent uncertainty regarding the future development, scope and duration of sanctions and related regulatory measures, a material uncertainty exists which management is monitoring closely. The Interim Condensed Financial Statements have been prepared on a going concern basis and do not include any adjustments that would be required if the Company were unable to continue as a going concern.

In 2026 the volatility in commodity and financial markets is seen rising while the RSD remained stable relative to EUR and depreciated to USD (information on the economic environment in the Republic of Serbia is detailed in Note 29) due to the geopolitical situation. Due to that during the third quarter of 2026 the Company didn't review the critical accounting estimates which are used by the Company in the Interim Condensed Consolidated Financial Statements preparation and which are assessed based on oil prices forecasts, inflation and market borrowing rate. Under current conditions it turned out to be impossible to evaluate how long the volatility will persist and at what level the key financial indicators will ultimately stabilise.

The Company continues monitoring the development of macroeconomic situation and the emergence of a possibility to evaluate the indicators mentioned above with reasonable certainty.

The Interim Condensed Financial Statements have been prepared in accordance with International Accounting Standard **IAS 34 Interim Financial Reporting**. IAS 34 for interim financial reporting does not require all disclosures that would be necessarily required by IFRS.

[60] All amounts are in 000 RSD, unless otherwise stated)

Quarterly financial reports are prepared in accordance with the requirements of the Law on the Capital Market and the Rulebook on Reporting of Public Companies.

The amendments to existing standards, which became effective on January 1, 2026, did not have a material impact on the Condensed Interim Financial Statements.

The Company plans to apply the new IFRS 18 Presentation and Disclosures in Financial Statements, as well as amendments to existing standards adopted but not effective at the date of issue of these Condensed Interim Financial Statements, when they become effective. The Company does not expect the amendments to existing standards to have a material impact on the Condensed Interim Financial Statements. In relation to the new standard, which will become effective from 1 January 2027 and will replace IAS 1 Presentation of Financial Statements, the Company is currently assessing its impact on the Financial Statements.

The Company does not disclose information, which would substantially duplicate the disclosures contained in its audited Financial Statements for 2025, such as significant accounting policies, significant estimates and judgements, financial risk disclosures or disclosures of financial line items, which have not changed significantly in amount or composition. Management of the Company believes that the disclosures in these Interim Condensed Financial Statements are adequate to make the information presented not misleading if these Interim Financial Statements are read in conjunction with the Company's Financial Statements for 2025.

The results in these Interim Condensed Financial Statements for the three and nine month period ended 30 September 2026 are not necessarily indicative of the Company's results expected for the full year.

The Company as a whole is not subject to significant seasonal fluctuations.

2.2. Changes in significant accounting policies

Significant accounting policies, judgements and estimates applied while preparing these Interim Condensed Financial Statements are consistent with those applied during the preparation of the Financial Statements as of and for the year ended 31 December 2025.

2.3. Implication of imposed US Sanctions

On 10 January 2025, the Company was included in the U.S. Treasury's Specially Designated Nationals and Blocked Persons ("SDN") List.

Following the designation, the U.S. Office of Foreign Assets Control ("OFAC") issued a series of specific licenses which allowed the Company to continue operating while negotiations regarding potential changes in the ownership structure.

Management has assessed the potential implications of the sanctions and related regulatory measures. However, due to significant uncertainties regarding their scope, enforcement, duration and the evolving geopolitical and economic environment, the ultimate effects on the Company's financial position, results of operations and cash flows cannot be reliably estimated as at the reporting date.

Notwithstanding the above, the sanctions may have a material adverse impact on the Company, including but not limited to:

- limitations in access to international financial markets and U.S. dollar transactions;
- disruptions in relationships with suppliers, customers and other business partners;
- potential reductions in revenues and profitability due to constrained trade activities; and
- operational challenges, including supply chain disruptions and increased costs related to the sourcing of crude oil, equipment and services.

The Company continues to actively monitor developments, engage with OFAC and other relevant authorities, and implement mitigation measures aimed at maintaining business continuity. The Company is also cooperating with its shareholders, including the Government of the Republic of Serbia, with the objective of identifying appropriate solutions to address the current situation and ensure the long-term sustainability of its operations.

Management judgment regarding going concern has been applied in preparing the financial statements. See note 2.1 for full disclosure.

On 30 September 2026, OFAC issued a specific license (Licence No. MUL- 2025-1447098-10) that postpones the full implementation of sanctions until 30 October 2026.

3. SEGMENT INFORMATION

Presented below is information about the Company's operating segments for the nine month period ended 30 September 2026 and 2025. Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available.

The Company manages its operations in 2 operating segments: Upstream and Downstream.

The upstream segment (exploration and production) includes the following Company operations: exploration, development and production of crude oil and natural gas and oil field services. The downstream segment (refining and marketing) processes crude oil into refined products and purchases, sells and transports crude and refined petroleum products (refining and marketing). The corporate centre and energy business activities are presented within the Downstream segment.

The eliminations and other adjustments section encompasses elimination of inter-segment sales and related unrealised profits, mainly from the sale of crude oil and products, and other adjustments. Intersegment revenues are based upon estimated market prices.

EBITDA represents the Company's EBITDA. Management believes that EBITDA represents useful means of assessing the performance of the Company's ongoing operating activities, as it reflects the Company's earnings trends without showing the impact of certain charges. EBITDA is defined as earnings before interest, income tax expense, depreciation, depletion and amortization, finance income (expenses) net and other non-operating income (expenses). EBITDA is a supplemental non-IFRS financial measure used by management to evaluate operations.

Reportable segment results for the nine month period ended 30 September 2026 are shown in the table below:

	Upstream	Downstream	Eliminations	Total
Segment revenue	41,985,642	290,870,701	(42,476,603)	290,379,740
Intersegment	40,169,997	2,306,606	(42,476,603)	-
External	1,815,645	288,564,095	-	290,379,740
Adjusted EBITDA (Segment results)	**27,846,417**	**33,852,627**	**-**	**61,699,044**
Depreciation, depletion and amortization	(10,656,620)	(9,413,074)	-	(20,069,694)
Impairment of financial assets (note 23)	(2,544)	(5,911,285)	-	(5,913,829)
Net foreign exchange loss	(2,848)	(183,396)	-	(186,244)
Finance expenses, net	(334,794)	(232,857)	-	(567,651)
Income tax	-	(4,799,598)	-	(4,799,598)
Segment profit	16,352,330	13,442,351	-	29,794,681

Reportable segment results for the nine month period ended 30 September 2025 are shown in the table below:

	Upstream	Downstream	Eliminations	Total
Segment revenue	34,266,957	216,498,670	(34,938,557)	215,827,070
Intersegment	32,882,061	2,056,496	(34,938,557)	-
External	1,384,896	214,442,174	-	215,827,070
Adjusted EBITDA (Segment results)	**21,189,596**	**4,681,117**	**-**	**25,870,713**
Depreciation, depletion and amortization	(10,247,747)	(9,748,967)	-	(19,996,714)
Net foreign exchange loss	(7,587)	(203,455)	-	(211,042)
Finance expenses, net	(100,181)	(613,614)	-	(713,795)
Income tax	-	1,503,841	-	1,503,841
Segment profit/(loss)	10,852,931	(4,442,768)	-	6,410,163

Adjusted EBITDA for the three and nine month period ended 30 September 2026 and 2025 is reconciled below:

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Profit for the period	17,611,444	5,712,823	29,794,681	6,410,163
Income tax	2,658,373	(44,861)	4,799,598	(1,503,841)
Finance expenses	842,476	773,418	2,341,515	2,427,619
Finance income	(706,886)	(683,173)	(1,773,864)	(1,713,824)
Depreciation, depletion and amortization	6,809,059	6,724,749	20,069,694	19,996,714
Net foreign exchange loss	136,030	32,147	186,244	211,042
Other expenses/(income), net	522,206	81,083	6,250,948	(51,705)
Other non-operating (income) / expense, net	(311,538)	(55,661)	30,228	94,545
Adjusted EBITDA	**27,561,164**	**12,540,525**	**61,699,044**	**25,870,713**

Impact of major one-off items on the Company result

For the purpose of providing a better understanding of the Company underlying performance, the table below presents an analysis of the Company result for the nine month period ended 30 September 2026 and 2025. The analysis shows the Company result before one-off items related to impairment losses recorded in accordance with IFRS 9.

	Nine month period ended 30 September	
	2026	2025
Company profit for the period	**29,794,681**	**6,410,163**
Impairment of Investments - subsidiary in Bulgaria (note 11,23)	598,796	-
Impairment of Trade and other receivables - subsidiary in Bulgaria (note 6,22)	45,459	
Impairment of Loans issued - subsidiary in Romania (note 5,12 and 23)	5,313,288	-
Impairment of Trade and other receivables- subsidiary in Romania (note 6,22)	1,825,206	-
Income tax effect	(1,167,412)	-
Company profit for the period before impairment loss	**36,410,018**	**6,410,163**

The Company is in the process of disposing of its investments in subsidiary in Bulgaria and subsidiary in Romania. During the second quarter of 2026, the Company entered into a share purchase agreement in respect of subsidiary in Romania .Completion of both transactions is subject to the fulfilment of the applicable conditions precedent, including obtaining the requisite licenses from the U.S. Office of Foreign Assets Control ("OFAC"). As at 30 September 2026, the conditions precedent were in the process of being fulfilled and neither transaction had been completed.

During the nine-month period ended 30 September 2026, the Company recognised an impairment loss of 598,796 RSD in respect to its investment in subsidiary in Bulgaria and impairment allowances of 5,313,288 RSD and 1,825,206 RSD in respect of a loan receivable from and trade receivables due from subsidiary in Romania, respectively. Also the Company recognised an impairment allowances of 45,459 RSD in respect of trade receivables due from subsidiary in Bulgaria.

The recognised losses reflect updated assessments based on the applicable transaction terms, the current status of the planned disposals and the information available as at the reporting date. The estimates may be revised as the transactions progress and the final consideration is determined.

Oil, gas and petroleum products sales, sales of electricity, lease revenue and other sales comprise the following:

	Nine month period ended 30 September	
	2026	2025
Sale of crude oil	4,214,889	-
Sale of gas	451,986	124,463
Wholesale activities	451,986	124,463
Sale of petroleum products	271,221,162	199,488,431
Through a retail network	83,142,878	70,621,250
Wholesale activities	188,078,284	128,867,181
Sale of electricity	811,906	478,413
Lease revenue	365,862	318,776
Other sales	13,313,935	15,416,987
Total sales	**290,379,740**	**215,827,070**

Other sales mainly relate to sales of non-fuel products at petrol stations for 8,559,114 RSD (2025: 9,867,561 RSD).

All performance obligations related to customers are satisfied at the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation.

4. CASH AND CASH EQUIVALENTS

	30 September 2026	31 December 2025
Cash in bank and in hand	10,946,468	4,862,972
Deposits with original maturity of less than three months	20,930,000	22,021,563
Cash equivalents	2,251	3,386
	31,878,719	**26,887,921**

The fair value of cash and cash equivalents approximates their carrying value.

5. SHORT-TERM FINANCIAL ASSETS

	30 September 2026	31 December 2025
Short-term loans to subsidiaries (centrally managed)	25,137,593	16,392,618
Current portion of long-term investments to subsidiaries (note 12)	24,625,195	33,556,277
Less impairment loss provision	(23,292,166)	(25,817,831)
	26,470,622	**24,131,064**

The short-term loans represent loans provided to subsidiaries on a needs basis as part of the Group's central cash management. These loans allow subsidiaries to maintain sufficient liquidity while the parent company centrally monitors and manages cash. The most significant portion of short-term loans at the reporting date relates to the subsidiary HIP Petrohemija, 22,279,469 RSD (31 December 2025: 12,303,489 RSD) and Naftagas-Naftni servisi 2,661,477 RSD (31 December 2025: 3,974,457 RSD). Other subsidiaries balances are not individually material. Loans are unsecured, denominated in RSD, bear interest at average of BEONIA and 6m BELIBOR, and are repayable on demand.

The decrease in Current portion of long-term investments to subsidiaries and Impairment loss provision is mainly due to conversion of total investment in NIS Petrol Bulgaria and related provision into Investment in subsidiaries in total net amount of RSD 3,402,267 RSD (Current portion of LT Investments decrease of 11,288,328 RSD and Impairment provision loss in the amount of 7,886,061 RSD) (note 11). During the nine-month period ended 30 September 2026, the Company recognized an impairment allowance on short-term loans granted to NIS Petrol Romania in the amount of 3,686,570 RSD (note 3 and 23).

The fair value of short-term financial assets approximates their carrying value.

6. TRADE AND OTHER RECEIVABLES

	30 September 2026	31 December 2025
Trade receivables - third parties	24,684,734	26,148,323
Trade receivables - subsidiaries and other related parties (note 30)	10,399,959	14,463,553
Other receivables – third parties	67,674	73,346
Other receivables – subsidiaries and other related parties (note 30)	10,892	10,796
Less impairment provision for trade receivables – third parties	(6,504,959)	(6,791,244)
Less impairment provision for trade receivables – subsidiaries *and other related parties (note 30)*	(2,086,338)	(214,477)
Less impairment provision for other receivables	(27,316)	(29,965)
	26,544,646	**33,660,332**

The decrease in Trade receivables - subsidiaries and other related parties is mainly due to conversion of receivables in NIS Petrol Bulgaria into Investment in subsidiaries in the amount of RSD 1,899,543 RSD (note 11).

During the nine-month period ended 30 September 2026, the Company recognized an impairment allowances on trade receivables from subsidiaries and other related parties relating to NIS Petrol Romania and NIS Petrol Bulgaria in the amount of 1,825,206 RSD and 45,459 RSD, respectively (note 3 and 23).

The Management of the Company regularly assesses the credit quality of trade and other receivables taking into account the analysis of the ageing profile of receivables and the duration of the relationships with the Company.

Receivables from subsidiaries are subject to a separate credit risk assessment. Management considers that the risk profile of such receivables differs from that of third-party receivables due to the control mechanisms in place.

Management believes that the non-impaired trade and other receivables are fully recoverable.

The carrying amounts of the Company's trade and other receivables are mostly denominated in the RSD.

7. INVENTORIES

	30 September 2026	31 December 2025
Crude oil	57,979,520	13,920,927
Petroleum products	20,483,989	13,336,420
Materials and supplies	5,796,482	5,975,477
Other	1,027,745	1,271,360
Less impairment provision	(4,277,191)	(4,296,729)
	81,010,545	**30,207,455**

8. OTHER CURRENT ASSETS

	30 September 2026	31 December 2025
Advances paid	441,142	2,468,579
Deferred VAT	817,891	1,159,384
Prepaid expenses	227,759	218,675
Prepaid custom duties	102,706	99,957
Prepaid excise	3,214,853	3,084,278
Other current assets	7,740,489	7,825,756
Less impairment provision	(7,483,076)	(7,480,000)
	5,061,764	**7,376,629**

Deferred VAT as at 30 September 2026 amounting to 817,891 RSD (31 December 2025: 1,159,384 RSD) represents VAT inputs claimed on invoices received and accounted for in the current period, while the inputs will be allowed in the following accounting period.

Prepaid excise as at 30 September 2026 amounting to 3,214,853 RSD (31 December 2025: 3,084,278 RSD) relates to the excise paid for the finished products stored in the non-excise warehouse.

Other current assets mainly relate to claims in dispute, which are impaired.

9. PROPERTY, PLANT AND EQUIPMENT

	Oil and gas properties	Refining assets	Marketing and distribution assets	Other assets	Assets under construction	Total
As at 1 January 2026						
Cost	268,436,891	181,585,886	71,875,655	16,595,861	27,290,636	565,784,929
Depreciation and impairment	(123,286,325)	(92,682,027)	(37,684,785)	(9,717,309)	(224,757)	(263,595,203)
Net book value	**145,150,566**	**88,903,859**	**34,190,870**	**6,878,552**	**27,065,879**	**302,189,726**
Period ended 30 September 2026						
Additions	15,108,852	2,140,714	3,695,549	319,863	(5,895,632)	15,369,346
Changes in decommissioning obligations	195,449	-	-	-	-	195,449
Impairment, net	-	-	-	-	(497,957)	(497,957)
Depreciation	(10,534,540)	(6,361,598)	(1,974,282)	(362,891)	-	(19,233,311)
Transfer from non-current assets held for sale	-	-	-	1,267	-	1,267
Transfer from investment property	-	-	1,534	28,057	-	29,591
Disposals and write-off	(12,364)	(39)	(18,866)	(47)	(5)	(31,321)
Other transfers	(44,818)	(1,819)	(27,077)	28,793	(161,996)	(206,917)
	149,863,145	**84,681,117**	**35,867,728**	**6,893,594**	**20,510,289**	**297,815,873**
As at 30 September 2026						
Cost	283,614,134	183,699,229	75,151,464	16,859,436	21,233,003	580,557,266
Depreciation and impairment	(133,750,989)	(99,018,112)	(39,283,736)	(9,965,842)	(722,714)	(282,741,393)
Net book value	**149,863,145**	**84,681,117**	**35,867,728**	**6,893,594**	**20,510,289**	**297,815,873**

in 000 RSD

10. RIGHT-OF-USE ASSETS

Movements in right-of-use assets for the nine months ended 30 September 2026 are as follows:

	Land	Property	Plant and equipment	Vehicles	Total
As at 1 January 2026	**8,208**	**819,873**	**513,420**	**1,479,338**	**2,820,839**
Additions	5,982	441	61,309	2,439	70,171
Depreciation	(2,709)	(82,811)	(143,498)	(95,317)	(324,335)
Disposals	-	-	-	(34,140)	(34,140)
Effect of contract modifications and changes in estimates	-	(1,303)	-	-	(1,303)
As at 30 September 2026	**11,481**	**736,200**	**431,231**	**1,352,320**	**2,531,232**

11. INVESTMENTS IN SUBSIDIARIES

	30 September 2026	31 December 2025
Investments in subsidiaries:		
- In shares	3,457,576	3,457,576
- In stakes	53,495,537	40,303,566
	56,953,113	43,761,142
Less: Provision	(21,233,416)	(12,744,460)
	35,719,697	**31,016,682**

On 23 January 2026, the Company has converted its outstanding loan and part of its receivables into equity in NIS Petrol Bulgaria in the net amount of 5,301,810 RSD (notes 5 and 6). The above represents the fulfilment of the one of the previous steps according to the purchase agreement for the full share of NIS Petrol Bulgaria subsidiary.

During the nine-month period ended 30 September 2026, the Company recognized an impairment loss on Investments in subsidiaries NIS Petrol Bulgaria, in the amount of RSD 598,796 RSD (note 3 and 23).

12. LONG-TERM FINANCIAL ASSETS

	30 September 2026	31 December 2025
LT loans issued to subsidiaries	30,749,098	41,986,243
Financial assets at FVTPL	841,392	839,712
Other LT placements	20,312	20,087
Available for sale financial assets	124,168	124,212
Less current portion of LT loans issued (note 5)	(24,625,195)	(33,556,277)
Less provision of LT financial assets (note 5)	(2,951,896)	(2,946,125)
	4,157,879	**6,467,852**

Long-term loans represent funds issued to subsidiaries for strategic and operational purposes. The current portion of these loans includes amounts due within 12 months from the reporting date, while the non-current portion represents balances due thereafter.

Long-term loans issued to subsidiaries (including current portion and impairment loss provision) as at 30 September 2026 and 31 December 2025 are presented in the tables below:

As at 30 September 2026	Current portion (note 5)	Long term part	Total loans issued	Impairment loss provison	Net amount
NIS Petrol srl	21,325,717	-	21,325,717	(21,325,717)	-
NIS Petrol doo Banja Luka	20,698	3,656,673	3,677,371	(2,748,414)	928,957
NIS Petrol a.d. Belgrade	1,155,990	2,071,539	3,227,529	-	3,227,529
Jadran-Naftagas d.o.o.	2,122,790	395,691	2,518,481	(2,127,926)	390,555
	24,625,195	**6,123,903**	**30,749,098**	**(26,202,057)**	**4,547,041**

As at 31 December 2025	Current portion (note 5)	Long term part	Total loans issued	Impairment loss provison	Net amount
NIS Petrol srl	19,037,639	2,157,985	21,195,624	(15,973,808)	5,221,816
NIS Petrol eood	11,280,029	-	11,280,029	(7,881,497)	3,398,532
NIS Petrol doo Banja Luka	39,605	3,768,921	3,808,526	(2,742,925)	1,065,601
NIS Petrol a.d. Belgrade	1,121,209	2,067,402	3,188,611	-	3,188,611
Jadran-Naftagas d.o.o.	2,077,795	435,658	2,513,453	(2,123,678)	389,775
	33,556,277	**8,429,966**	**41,986,243**	**(28,721,908)**	**13,264,335**

Loans are unsecured, denominated in RSD and EUR, bear interest at 2,1% fix rate or 6M EURIBOR plus 2,1% to 2,9% per annum, and are repayable in accordance with agreed schedules, and a portion of the loans granted to foreign subsidiaries is subordinated.

During the nine-month period ended 30 September 2026, the Company recognized an impairment allowance on Long-term loans granted to Petrol Romania in the amount of 1,626,718 RSD and on short-term loans granted to NIS Petrol Romania in the amount of 3,686,570 RSD (note 3 and 23).

13. OTHER NON-CURRENT ASSETS

	30 September 2026	31 December 2025
Advances paid for PPE	1,032,936	1,304,517
Prepaid expenses	41,620	55,739
Other assets	871,060	909,523
Less impairment provision for other assets	(271,932)	(270,414)
Less impairment provision for advances paid	(9,155)	(7,162)
	1,664,529	**1,992,203**

14. SHORT-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT

	30 September 2026	31 December 2025
Short-term loans	3,913,860	2,512,460
Interest liabilities	191,800	139,625
Current portion of long-term loans (note 18)	17,733,806	19,245,155
	21,839,466	**21,897,240**

Movements on the Company's liabilities from short-term finance activities are as follows:

	Nine month period ended 30 September 2026	2025
As at 1 January	**2,512,460**	**2,387,513**
Proceeds	9,371,776	7,213,680
Repayment	(7,970,376)	(7,091,373)
As at 30 September	**3,913,860**	**2,509,820**

15. TRADE AND OTHER PAYABLES

	30 September 2026	31 December 2025
Trade payables – third parties	7,754,954	7,039,615
Trade payables – subsidiaries and other related partiers (note 30)	6,745,956	7,680,282
Dividends payable	2,071,903	5,844,191
Other accounts payable	13,085	1,418
	16,585,898	**20,565,506**

16. OTHER CURRENT LIABILITIES

	30 September 2026	31 December 2025
Contract liabilities arising from contracts with customers:		
- Advances received	4,458,492	2,138,699
- Customer loyalty	883,183	746,954
- Deferred income	51,310	38,003
Payables to employees	3,425,157	2,156,108
Other current non-financial liabilities	156,749	406,025
	8,974,891	**5,485,789**

Revenue in the amount of 2,112,280 RSD recognized in the current reporting period (30 September 2025: 5,054,319 RSD) related to the contract liabilities as at the beginning of the year. Of this amount, 1,760,450 RSD (30 September 2025: 4,486,707 RSD) related to revenue from advances received in previous periods, while 351,830 RSD (30 September 2025: 567,612 RSD) related to revenue from the customer loyalty programme.

17. OTHER TAXES PAYABLE

	30 September 2026	31 December 2025
Mineral extraction tax	486,268	498,409
VAT	4,050,842	1,760,731
Excise tax	7,544,571	3,402,482
Contribution for State commodity reserves	377,472	128,631
Custom duties	144,572	5,468
Energy efficiency fee	45,880	14,636
Other taxes	1,269,677	511,745
	13,919,282	**6,322,102**

18. LONG-TERM DEBT

	30 September 2026	31 December 2025
Bank loans	41,924,371	46,392,416
Other Long-term borrowings	1,880,977	1,877,203
Less current portion (note 14)	(17,733,806)	(19,245,155)
	26,071,542	**29,024,464**

Movements on the Company's bank loans are as follows:

	Nine month period ended 30 September 2026	2025
As at 1 January	**46,392,416**	**65,159,107**
Proceeds	1,184,360	4,464,639
Repayment	(5,753,969)	(6,627,263)
Non-cash transactions	14,758	28,051
Foreign exchange difference	86,806	102,725
As at 30 September	**41,924,371**	**63,127,259**

Bank loans

	30 September 2026	31 December 2025
Total bank loans	41,924,371	46,392,416
Current portion	(17,733,806)	(19,245,155)
	24,190,565	**27,147,261**

The maturity of bank loans was as follows:

	30 September 2026	31 December 2025
Between 1 and 2 years	15,515,195	6,323,799
Between 2 and 5 years	8,557,166	20,578,503
Over 5 years	118,204	244,959
	24,190,565	**27,147,261**

The carrying amounts of bank loans in the amount of 41,924,371 RSD (31 December 2025: 46,392,416 RSD) are denominated in EUR.

The Company repays loans in accordance with the agreed dynamics, i.e. determined annuity plans. The Company has both fixed and floating interest rates with the creditors. Floating interest rates are connected with Euribor. Management expects that the Company will be able to fulfil its obligations within the agreed timeframe.

The loan agreements contain financial covenants that require the Company to maintain a ratio of Indebtedness to EBITDA. Management believes the Company is in compliance with these covenants as of 30 September 2026 and 31 December 2025, respectively.

Other long-term borrowings in the amount of 1,880,977 RSD (31 December 2025: 1,877,203 RSD) mainly relate to the corporate bonds.

19. LEASE LIABILITIES

	30 September 2026	31 December 2025
Non-current lease liabilities	808,097	1,203,313
Current lease liabilities	576,806	588,832
	1,384,903	**1,792,145**

Amounts recognized in profit and loss:

	Nine month period ended 30 September	
	2026	2025
Interest expense (included in finance cost) (note 26)	42,792	53,165
Expense relating to short-term leases and other lease contracts excluded from IFRS 16	1,453	17,044
Expense relating to leases of low-value assets that are not shown above as short-term leases	597	2,301
Expense relating to variable lease payments not included in lease liabilities	1,053,676	902,224

Movements on the Company's liabilities from lease activities are as follows:

	Nine month period ended 30 September	
	2026	2025
As at 1 January	**1,792,145**	**1,986,400**
Repayment	(485,008)	(475,643)
Non-cash transactions	76,538	186,868
Foreign exchange difference	1,228	5,801
As at 30 September	**1,384,903**	**1,703,426**

20. OTHER NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

Other non-current financial liabilities in the amount of 10,058,251 RSD (2025: 12,313,561 RSD) represents deferred consideration in the amount of 846,049 RSD (2025: 864,962 RSD) for O&G exploration project and liabilities for additional capital contribution associated with the new plant construction program in HIP Petrohemija in the amount of 9,212,202 RSD (2025: 11,448,599 RSD)**.** The Current portion of other non-current financial liabilities in the amount of 2,377,749 RSD (2025: 29,176 RSD) mainly relates to HIP Petrohemija in the amount of 2,350,334 RSD (2025: 0 RSD).

21. PRODUCTION, MANUFACTURING AND COST OF OTHER SALES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Employee costs	1,212,621	1,163,073	3,631,664	3,494,421
Materials and supplies (other than O&G and petroleum products)	342,631	306,542	958,547	933,986
Repair and maintenance services	1,624,687	1,439,026	4,662,184	4,255,623
Electricity for resale	14,743	28,814	39,148	73,767
Electricity and utilities	2,286,346	2,423,996	6,256,632	7,095,635
Safety and security expense	80,782	152,686	329,661	575,399
Transportation services for production	303,120	343,186	969,772	1,113,795
Other	4,082,696	4,150,370	11,166,981	11,481,244
	9,947,626	**10,007,693**	**28,014,589**	**29,023,870**

Other expenses mainly relate to cost of other goods that have been sold at the petrol stations in the amount of 6,953,622 RSD (2025: 8,172,578 RSD).

22. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Employee costs	4,154,518	3,796,629	11,829,396	11,159,132
Commission and agency fees	1,630,883	1,545,004	4,877,421	4,526,558
Legal, audit and consulting services	398,163	457,909	1,156,386	1,335,883
Current repair and maintenance cost	582,777	601,161	1,603,094	1,804,005
Cost of advertising, marketing and sponsorship	125,231	175,546	457,700	595,616
Electricity and utilities	218,764	232,789	738,537	693,053
Rent expense	11,207	14,890	19,427	25,245
Business trips expense	28,689	31,033	76,282	91,562
Safety and security expense	302,855	312,583	881,887	854,305
Insurance expense	20,159	16,499	59,632	58,007
Transportation and storage	78,995	99,742	235,490	294,646
Allowance for doubtful accounts	29,544	30,040	1,816,341	(6,483)
Other	997,332	1,352,488	2,759,230	3,692,687
	8,579,117	**8,666,313**	**26,510,823**	**25,124,216**

Other expenses in the amount of 2,759,230 RSD (2025: 3,692,687 RSD) mainly relate to bank charges, IT services, telecommunication services and other services.

23. OTHER EXPENSES / INCOME, NET

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Penalties	41,955	53,118	344,634	175,777
Provisions	(386,431)	(88,820)	(428,562)	(107,088)
Impairment of non financial assets	(388,770)	(7,352)	(501,280)	(82,845)
Impairment of financial assets, net	(2,605)	(854)	(5,913,829)	9,260
Charity and social payments	(12,733)	(20,477)	(20,068)	(30,731)
Others	226,378	(16,698)	268,157	87,332
	(522,206)	**(81,083)**	**(6,250,948)**	**51,705**

24. NET FOREIGN EXCHANGE LOSS

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Foreign exchange gain (loss) on financing activities including:				
- foreign exchange gain	(1,643)	84,444	28,886	216,958
- foreign exchange loss	(72,539)	(100,015)	(145,788)	(348,330)
Net foreign exchange loss on operating activities	(61,848)	(16,576)	(69,342)	(79,670)
	(136,030)	**(32,147)**	**(186,244)**	**(211,042)**

25. FINANCE INCOME

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Interest on bank deposits	403,106	402,582	905,432	856,205
Gains on restructuring of borrowings	-	6,862	3,225	6,862
Interest income on loans issued	303,780	273,729	865,207	850,757
	706,886	**683,173**	**1,773,864**	**1,713,824**

26. FINANCE EXPENSES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Interest expense	695,823	703,824	1,908,887	2,245,748
Losses on restructuring of borrowings	7,439	10,748	20,208	28,540
Decommissioning provision: unwinding of the present value discount	111,250	36,679	332,345	105,774
Provision of trade and other non-current receivables: discount	(2,271)	(7,752)	(10,392)	(33,472)
Revaluation of equity investment at fair value - expense	30,235	29,919	90,467	89,523
Less: amounts capitalised on qualifying assets	-	-	-	(8,494)
	842,476	**773,418**	**2,341,515**	**2,427,619**

Interest expense includes expenses on lease liabilities in the amount of 42,792 RSD for the nine months ended 30 September 2026 (53,165 RSD for the nine months ended 30 September 2025, accordingly) (note 19).

27. INCOME TAXES

In the first half of 2025, NIS applied tax consolidation for the 2024 tax year, following approval by the tax authorities. This was done in accordance with Serbian tax legislation, which allows a group of related legal entities where one company directly or indirectly holds at least 75% ownership in the others to be treated as a single taxpayer for corporate income tax purposes. All entities within the group must be tax residents of the Republic of Serbia, and once approved, the consolidation is valid for a period of five years.

As a result of the tax consolidation, the Company was able to utilize accumulated tax losses of certain subsidiaries to offset the consolidated taxable base, leading to a significant tax credit. This tax benefit, relating to the tax year 2024, was recognized in the financial year 2025 upon receipt of the final tax assessment. The effect of this tax benefit has been accounted for in accordance with IAS 12 – Income Taxes and is reflected in the income tax expense line item in the statement of profit and loss.

Effect of current income tax and the adjustment in respect of prior year are presented in the table below:

	Nine month period ended 30 September	
	2026	2025
Current income tax effect	(5,426,042)	(823,877)
Effect of tax consolidation (2024)	-	1,455,629
Other adjustments of prior year	-	97,211
Deferred income tax	626,444	774,878
Total income tax	**(4,799,598)**	**1,503,841**

28. FAIR VALUE MEASUREMENT

The following assets are measured at fair value in the Interim Condensed Financial Statements: investment properties and financial investments classified as available for sale and other non-current financial assets and liabilities. The valuation techniques and inputs used in fair value measurements are on the same basis as disclosed in the Financial Statements as of 31 December 2025. There were no transfers between the levels of the fair value hierarchy during the interim period.

As of 30 September 2026 the carrying value of financial assets approximates their fair value.

29. CONTINGENCIES AND COMMITMENTS

Taxes

Tax laws are subject to different interpretations and frequent amendments. Tax authorities' interpretation of Tax laws may differ to those made by the Company's management. As a result, some transactions may be disputed by

tax authorities and the Company may have to pay additional taxes, penalties and interests. Tax liability due date is five years. Tax authorities have the right to determine unpaid liabilities within five years since the transaction date. Management has assessed that the Company has paid all tax liabilities as of 30 September 2026.

Economic environment in the Republic of Serbia

The exacerbation of the geopolitical situation as a result of further developments related to Ukraine has led to increased volatility in commodity and financial markets. This has been further intensified by rising tensions in the Middle East, including risks to energy supply and broader regional stability.

Currently the Company is continuing the assessment of the sanctions' impact on the Company's operations.

The management is taking necessary measures to ensure the sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict and the management's current expectations and estimates could differ from the actual results.

Environmental protection

Based on an internal assessment of compliance with the Republic of Serbia's environmental legislation as at the reporting date, the Company's management recognised an environmental provision in the amount of 577,203 RSD (31 December 2025: 290,132 RSD).

The Company's Management believes that cash outflows related to the provision will not be significantly higher than those already provided for. However, it is possible that these costs could increase significantly in the future, should the legislation become more restrictive.

Capital commitments

As of 30 September 2026 the Company has entered into contracts to purchase property, plant and equipment in the amount of 4,784,225 RSD (31 December 2025: 3,177,738 RSD).

There were no other material contingencies and commitments of the Company.

30. RELATED PARTY TRANSACTIONS

For the purpose of these Interim Condensed Financial Statements parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operational decision as defined by IAS 24 Related Party disclosure.

In the nine month period ended 30 September 2026 and in the same period in 2025, the Company entered into business transactions with its related parties. The most significant transactions with related parties in the mentioned periods related to sale of petroleum products and energy.

As at 30 September 2026 and 31 December 2025 the outstanding balances, net of impairment, with the related parties were as follows:

As at 30 September 2026	Subsidiaries	Parent company	Joint ventures, associates and parent's subsidiaries and associates
Short-term financial assets	26,470,622	-	-
Trade and other receivables	7,938,590	-	385,923
Other current assets	77,791	-	1,710
Right-of-use assets	117,874	-	-
Investments accounted for using equity method	-	-	1,038,800
Trade and other non-current receivables	-	-	175,750
Investments in subsidiaries	35,719,697	-	-
Long-term financial assets	4,053,384	-	-
Other non-current assets	1,589	-	-
Trade and other payables	(6,618,896)	-	(2,187,936)
Current portion of other non-current financial liabilities	(2,350,334)	-	-
Other current liabilities	(99,211)	-	(435,388)
Short-term debt	(3,930,021)	-	-
Current lease liabilities	(10,887)	-	-
Long-term debt	(1,176,483)	-	-
Non-current lease liabilities	(113,496)	-	-
Other non-current financial liabilities	(9,212,202)	-	-
	50,868,017	**-**	**(1,021,141)**

As at 31 December 2025	Subsidiaries	Parent company	Joint ventures, associates and parent's subsidiaries and associates
Short-term financial assets	24,131,064	-	-
Trade and other receivables	14,096,519	-	163,353
Other current assets	-	-	1,477
Right-of-use assets	127,194	-	-
Investments accounted for using equity method	-	-	1,038,800
Trade and other non-current receivables	-	-	171,654
Investments in subsidiaries	31,016,682	-	-
Long-term financial assets	6,363,582	-	-
Other non-current assets	3,782	-	-
Trade and other payables	(7,481,027)	-	(2,260,131)
Other current liabilities	(191,958)	-	(425)
Short-term debt	(2,523,513)	-	-
Current lease liabilities	(12,228)	-	-
Long-term debt	(1,174,133)	-	-
Non-current lease liabilities	(120,694)	-	-
Other non-current financial liabilities	(11,448,598)	-	-
	52,786,672	**-**	**(885,272)**

For the nine month period ended 30 September 2026 and 30 September 2025 the following transactions occurred with the related parties:

	Subsidiaries	Parent company	Joint ventures, associates and parent's subsidiaries, and associates
Nine month period ended 30 September 2026			
Revenues from sales of products and services	28,489,611	-	1,835,188
Expenses based on procurement of products and services	(22,044,527)	-	(507,518)
Other income/(loss), net	(5,408,032)	-	3,750
	1,037,052	**-**	**1,331,420**

	Subsidiaries	Parent company	Joint ventures, associates and parent's subsidiaries, and associates
Nine month period ended 30 September 2025			
Revenues from sales of products and services	35,208,131	-	1,481,839
Expenses based on procurement of products and services	(16,899,812)	-	(1,707,646)
Other income, net	576,461	-	2,694
	18,884,780	**-**	**(223,113)**

31. EVENTS AFTER THE REPORTING DATE

All events occurring after the reporting date from 30 September 2026 to 28 October 2026, when these Interim Condensed Financial Statements were approved, have been taken into account.

Interim Condensed Consolidated Financial Statements (Unaudited)

Interim Condensed Consolidated Statement of Financial Position

	Note	30 September 2026	31 December 2025
Assets		*(unaudited)*	
Current assets			
Cash and cash equivalents	4	35,036,393	30,520,104
Short-term financial assets	5	10,402	34,985
Trade and other receivables	6	19,738,084	20,672,647
Inventories	7	91,589,409	39,147,248
Current income tax prepayments		13,718	2,371,203
Other current assets	8	6,454,790	8,987,071
Assets classified as held for sale		130,779	135,697
Total current assets		**152,973,575**	**101,868,955**
Non-current assets			
Property, plant and equipment	9	325,246,454	336,511,853
Right-of-use assets	10	3,131,152	3,663,603
Investment property		1,619,957	1,664,931
Goodwill and other intangible assets		6,038,622	6,249,956
Investments in joint ventures		2,818,757	3,394,511
Trade and other non-current receivables		1,052,599	1,163,843
Long-term financial assets		104,623	104,398
Deferred tax assets		6,009,086	5,336,771
Other non-current assets	11	1,739,856	2,048,680
Total non-current assets		**347,761,106**	**360,138,546**
Total assets		**500,734,681**	**462,007,501**
Liabilities and shareholder's equity			
Current liabilities			
Short-term debt and current portion of long-term debt	12	17,909,445	19,373,727
Current lease liabilities	17	917,659	1,150,161
Trade and other payables	13	15,847,821	18,731,371
Other current liabilities	14	11,884,552	7,043,254
Current income tax payable		5,582,758	12,877
Other taxes payable	15	15,203,655	7,345,094
Provisions for liabilities and charges		3,314,943	2,538,201
Current portion of other non-current financial liabilities		27,415	29,176
Total current liabilities		**70,688,248**	**56,223,861**
Non-current liabilities			
Long-term debt	16	25,096,204	28,045,208
Non-current lease liabilities	17	1,304,647	2,063,674
Other non-current financial liabilities		846,049	864,962
Deferred tax liabilities		3,982	3,975
Long-term trade and other payables		145,132	9,125
Provisions for liabilities and charges		14,641,618	14,190,785
Total non-current liabilities		**42,037,632**	**45,177,729**
Equity			
Share capital		81,530,200	81,530,200
Reserves		1,603,966	1,034,247
Retained earnings		306,665,803	279,323,541
Equity attributable to the Company's owners		**389,799,969**	**361,887,988**
Non-controlling interest		(1,791,168)	(1,282,077)
Total equity		**388,008,801**	**360,605,911**
Total liabilities and shareholder's equity		**500,734,681**	**462,007,501**

in 000 RSD

Interim Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Note	Three month period ended 30 September 2026	Three month period ended 30 September 2025	Nine month period ended 30 September 2026	Nine month period ended 30 September 2025
		(unaudited)	*(unaudited)*	*(unaudited)*	*(unaudited)*
Sales of petroleum products, oil and gas		120,731,744	76,628,773	281,634,313	211,019,102
Other revenues		5,122,576	7,239,927	15,938,457	18,666,123
Total revenue from sales	**3**	**125,854,320**	**83,868,700**	**297,572,770**	**229,685,225**
Purchases of oil, gas and petroleum products		(76,551,818)	(47,871,718)	(168,422,075)	(136,819,287)
Production, manufacturing and cost of other sales	18	(12,947,805)	(13,199,984)	(35,633,153)	(37,689,728)
Selling, general and administrative expenses	19	(8,848,080)	(9,040,936)	(25,855,819)	(26,390,165)
Transportation expenses		(295,512)	(392,233)	(888,474)	(1,177,332)
Depreciation, depletion and amortization		(7,487,623)	(7,482,101)	(22,165,075)	(22,222,840)
Taxes other than income tax		(2,368,034)	(2,369,300)	(7,140,488)	(6,899,205)
Exploration expenses		-	-	(32)	(10)
Total operating expenses		**(108,498,872)**	**(80,356,272)**	**(260,105,116)**	**(231,198,567)**
Other income/(expenses), net	20	(461,843)	(107,132)	(6,462,273)	1,133,317
Operating profit/(loss)		**16,893,605**	**3,405,296**	**31,005,381**	**(380,025)**
Share of profit/(loss) in joint ventures		(270,528)	276,366	(575,754)	803,842
Net foreign exchange loss	21	(252,672)	(59,992)	(975,007)	(673,843)
Finance income	22	406,437	407,017	920,681	871,756
Finance expenses	23	(780,386)	(727,978)	(2,179,878)	(2,303,652)
Total other expense		**(897,149)**	**(104,587)**	**(2,809,958)**	**(1,301,897)**
Profit/(loss) before income tax		**15,996,456**	**3,300,709**	**28,195,423**	**(1,681,922)**
Current income tax		(2,972,825)	(277,902)	(5,790,364)	660,039
Deferred income tax		211,633	299,416	672,315	737,891
Total income tax	**24**	**(2,761,192)**	**21,514**	**(5,118,049)**	**1,397,930**
Profit/(loss) for the period		**13,235,264**	**3,322,223**	**23,077,374**	**(283,992)**
Other comprehensive loss:					
Items that will not be reclassified to loss					
Loss from investments in equity instruments		-	(104)	-	(104)
		-	(104)	-	(104)
Items that may be subsequently reclassified to profit/(loss)					
Currency translation differences		97,750	(15,497)	553,208	259,306
		97,750	(15,497)	553,208	259,306
Other comprehensive income/(loss) for the period		**97,750**	**(15,601)**	**553,208**	**259,202**
Total comprehensive income/(loss) for the period		**13,333,014**	**3,306,622**	**23,630,582**	**(24,790)**
Profit/(loss) attributable to:					
- Shareholders of Naftna Industrija Srbije		13,592,973	3,597,919	23,586,465	458,072
- Non-controlling interest		(357,709)	(275,696)	(509,091)	(742,064)
Profit/(loss) for the period		**13,235,264**	**3,322,223**	**23,077,374**	**(283,992)**
Total comprehensive income/(loss) attributable to:					
- Shareholders of Naftna Industrija Srbije		13,690,723	3,582,318	24,139,673	717,274
- Non-controlling interest		(357,709)	(275,696)	(509,091)	(742,064)
Total comprehensive income/(loss) for the period		**13,333,014**	**3,306,622**	**23,630,582**	**(24,790)**
Earnings per share attributable to shareholders of Naftna Industrija Srbije					
Basic earnings (RSD per share)		83.36	22.06	144.65	2.81
Weighted average number of ordinary shares in issue (in millions)		163	163	163	163

in 000 RSD

Interim Condensed Consolidated Statement of Changes in Shareholders' Equity

Nine month period ended 30 September 2026 and 2025

	Equity attributable to the Company's owners					
(unaudited)	Share capital	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance as at 1 January 2025	**81,530,200**	**741,832**	**288,538,150**	**370,810,182**	**(254,221)**	**370,555,961**
Profit/(loss) for the period	-	-	458,072	458,072	(742,064)	(283,992)
Other comprehensive income/(loss)						
Loss from investments in equity instruments	-	(104)	-	(104)	-	(104)
Currency translation differences	-	259,306	-	259,306	-	259,306
Total comprehensive income/(loss) for the period	**-**	**259,202**	**458,072**	**717,274**	**(742,064)**	**(24,790)**
Dividend distribution	-	**-**	(4,595,042)	(4,595,042)	-	(4,595,042)
Balance as at 30 September 2025	**81,530,200**	**1,001,034**	**284,401,180**	**366,932,414**	**(996,285)**	**365,936,129**

in 000 RSD

	Equity attributable to the Company's owners					
(unaudited)	Share capital	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance as at 1 January 2026	**81,530,200**	**1,034,247**	**279,323,541**	**361,887,988**	**(1,282,077)**	**360,605,911**
Profit/(loss) for the period	-	-	23,586,465	23,586,465	(509,091)	23,077,374
Other comprehensive income						
Currency translation differences	-	553,208	-	553,208	-	553,208
Total comprehensive income/(loss) for the period	**-**	**553,208**	**23,586,465**	**24,139,673**	**(509,091)**	**23,630,582**
Other	-	16,511	3,755,797	3,772,308	-	3,772,308
Balance as at 30 September 2026	**81,530,200**	**1,603,966**	**306,665,803**	**389,799,969**	**(1,791,168)**	**388,008,801**

in 000 RSD

Interim Condensed Consolidated Statement of Cash Flows[61]

	Note	Nine month period ended 30 September 2026	2025
		(unaudited)	*(unaudited)*
Cash flows from operating activities			
Profit/(loss) before income tax		**28,195,423**	**(1,681,922)**
Adjustments for:			
Share of (profit)/loss in joint ventures		575,754	(803,842)
Finance expenses	23	2,179,878	2,303,652
Finance income	22	(920,681)	(871,756)
Unrealised foreign exchange losses, net		550,587	458,468
Depreciation, depletion and amortization		22,165,075	22,222,840
Impairment of non-current assets	20	6,821,021	83,249
Other non-cash items		1,221,522	(385,310)
Operating cash flow before changes in working capital		**60,788,579**	**21,325,379**
Changes in working capital:			
Trade and other receivables		1,111,249	8,980,171
Inventories		(52,536,335)	(3,826,910)
Other current assets		2,710,714	1,510,810
Trade payables and other current liabilities		10,618,329	(6,518,291)
Other taxes payable		10,548,741	7,758,693
Total effect on working capital changes		**(27,547,302)**	**7,904,473**
Income taxes paid		(557,474)	(1,336,724)
Interest paid		(1,637,319)	(2,021,945)
Interest received		794,314	814,786
		(1,400,479)	**(2,543,883)**
Net cash generated by operating activities		**31,840,798**	**26,685,969**
Cash flows from investing activities			
Capital expenditures[62]		(21,973,316)	(21,510,993)
Proceeds from sale of property, plant and equipment		249,835	560,812
Bank deposits repayment, net		-	145,967
Other outflow		(11,723)	-
Net cash used in investing activities		**(21,735,204)**	**(20,804,214)**
Cash flows from financing activities			
Proceeds from borrowings	16	1,184,359	4,464,639
Repayment of borrowings	16	(5,753,971)	(6,627,264)
Repayment of lease liabilities	17	(890,922)	(711,356)
Net cash used in financing activities		**(5,460,534)**	**(2,873,981)**
Net increase in cash and cash equivalents		4,645,060	3,007,774
Effect of foreign exchange on cash and cash equivalents		(128,771)	(178,555)
Cash and cash equivalents as of the beginning of the period		**30,520,104**	**40,736,335**
Cash and cash equivalents as of the end of the period	**4**	**35,036,393**	**43,565,554**

in 000 RSD

[61] Group policy is to present cash flow inclusive of related VAT.

[62] CF from investing activities includes VAT in the amount of 2.87 bln RSD (2025: 2.61 bln RSD)

Notes to the Interim Condensed Financial Statements[63]

1. GENERAL INFORMATION

Open Joint Stock Company Naftna Industrija Srbije (the "Company") and its subsidiaries (together referred to as the "Group") are a vertically integrated oil company operating predominantly in Serbia. The Group's principal activities include:

- Exploration, production and development of crude oil and gas,
- Production of refined petroleum products,
- Petroleum products and gas trading,
- Electricity generation and trading and
- Production and trading of petrochemical products.

Other activities primarily include sales of other goods, works and services.

The Company is a public joint stock company listed on the Belgrade Stock Exchange.

These Interim Condensed Consolidated Financial Statements have been approved and authorized for issue by the Chief Executive Officer and will be presented to the Board of Directors for approval.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. Basis of preparation

The Group maintains its books and records in the accordance with accounting and taxation principles and practices mandated by the legislation in the countries in which it operates (primarily Serbian). The accompanying Interim Condensed Consolidated Financial Statements were primarily derived from the Group's statutory books and records with adjustments and reclassifications made to present them in accordance with the International Financial Reporting Standards (IFRS).

The Interim Condensed Consolidated Financial Statements have been prepared based on the going concern principle. In making this assessment, management considered the Group's current and projected liquidity position, access to financing, operational performance and the broader regulatory and geopolitical environment.

For the nine month period ended 30 September 2026, the Group recorded a net profit. The Group maintained a high level of positive EBITDA, reflecting the resilience of its core operations and the ability to generate operational cash flows. Management has considered this performance in its assessment of the Group's ability to continue as a going concern and in planning mitigating actions to address potential operational and financial challenges arising from sanctions and supply disruptions (refer to note 2.3. Implication of imposed US Sanctions).

Management has prepared cash flow forecasts and assessed mitigating actions, including the ongoing engagement with relevant authorities, cooperation with shareholders (including the Government of the Republic of Serbia) and other operational measures aimed at ensuring business continuity. Based on these assessments, management believes that the Group will be able to meet its obligations as they fall due for at least the next twelve months from the reporting date.

Given the inherent uncertainty regarding the future development, scope and duration of sanctions and related regulatory measures, a material uncertainty exists which management is monitoring closely. The Interim Condensed Consolidated Financial Statements have been prepared on a going concern basis and do not include any adjustments that would be required if the Group were unable to continue as a going concern.

In 2026 the volatility in commodity and financial markets is seen rising while the RSD remained stable relative to EUR and depreciated to USD (information on the economic environment in the Republic of Serbia is detailed in Note 26) due to the geopolitical situation. Due to that during the third quarter of 2026 the Group didn't review the critical accounting estimates which are used by the Group in the Interim Condensed Consolidated Financial Statements preparation and which are assessed based on oil prices forecasts, inflation and market borrowing rate. Under current conditions it turned out to be impossible to evaluate how long the volatility will persist and at what level the key financial indicators will ultimately stabilise.

[63] All amounts are in 000 RSD, unless otherwise stated

The Group continues monitoring the development of macroeconomic situation and the emergence of a possibility to evaluate the indicators mentioned above with reasonable certainty.

The Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Accounting Standard **IAS 34 Interim Financial Reporting**. IAS 34 for interim financial reporting does not require all disclosures that would be necessarily required by IFRS.

Quarterly financial reports are prepared in accordance with the requirements of the Law on the Capital Market and the Rulebook on Reporting of Public Companies.

The amendments to existing standards, which became effective on January 1, 2026, did not have a material impact on the condensed Interim Consolidated Financial Statements.

The Group plans to apply the new IFRS 18 Presentation and Disclosures in Financial Statements, as well as amendments to existing standards adopted but not effective at the date of issue of these Interim Condensed Consolidated Financial Statements, when they become effective. The Group does not expect the amendments to existing standards to have a material impact on the Interim Condensed Consolidated Financial Statements. In relation to the new standard, which will become effective from 1 January 2027 and will replace IAS 1 Presentation of Financial Statements, the Group is currently assessing its impact on the Consolidated Financial Statements.

The Group does not disclose information which would substantially duplicate the disclosures contained in its audited Consolidated Financial Statements for 2025, such as significant accounting policies, significant estimates and judgements, financial risk disclosures or disclosures of financial line items, which have not changed significantly in amount or composition. Management of the Group believes that the disclosures in these Interim Condensed Consolidated Financial Statements are adequate to make the information presented not misleading if these Interim Condensed Consolidated Financial Statements are read in conjunction with the Group's Consolidated Financial Statements for 2025.

The Group as a whole is not subject to significant seasonal fluctuations.

2.2. Changes in significant accounting policies

Significant accounting policies, judgements and estimates applied while preparing these Interim Condensed Consolidated Financial Statements are consistent with those applied during the preparation of the Consolidated Financial Statements as of and for the year ended 31 December 2025.

2.3. Implication of imposed US Sanctions

On 10 January 2025, the Group was included in the US Treasury Specially Designated Nationals and Blocked Persons (SDN) List.

Following the designation, the U.S. Office of Foreign Assets Control ("OFAC") issued a series of specific licenses which allowed the Group to continue operating while negotiations regarding potential changes in the ownership structure.

Management has assessed the potential implications of the sanctions and related regulatory measures. However, due to significant uncertainties regarding their scope, enforcement, duration and the evolving geopolitical and economic environment, the ultimate effects on the Group's financial position, results of operations and cash flows cannot be reliably estimated as at the reporting date.

Notwithstanding the above, the sanctions may have a material adverse impact on the Group, including but not limited to:

- limitations in access to international financial markets and U.S. dollar transactions;
- disruptions in relationships with suppliers, customers and other business partners;
- potential reductions in revenues and profitability due to constrained trade activities; and
- operational challenges, including supply chain disruptions and increased costs related to the sourcing of crude oil, equipment and services.

The Group continues to actively monitor developments, engage with OFAC and other relevant authorities, and implement mitigation measures aimed at maintaining business continuity. The Group is also cooperating with its shareholders, including the Government of the Republic of Serbia, with the objective of identifying appropriate solutions to address the current situation and ensure the long-term sustainability of its operations.

Management judgment regarding going concern has been applied in preparing the financial statements. See note 2.1. for full disclosure.

On 30 September 2026, OFAC issued a specific license (Licence No. MUL- 2025-1447098-10) that postpones the full implementation of sanctions until 30 October 2026.

3. SEGMENT INFORMATION

Presented below is information about the Group's operating segments for the nine month period ended 30 September 2026 and 2025. Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available.

The Group manages its operations in 2 operating segments: Upstream and Downstream.

The Upstream segment (exploration and production) includes the following Group operations: exploration, development and production of crude oil and natural gas and oil field services. The Downstream segment (refining and marketing) processes crude oil into refined products and purchases, sells and transports crude and refined petroleum products. The corporate centre, Energy business activities and petrochemical production are presented within the Downstream segment.

The eliminations and other adjustments section encompasses elimination of inter-segment sales and related unrealised profits, mainly from the sale of crude oil and products, and other adjustments. Intersegment revenues are based upon estimated market prices.

EBITDA represents the Group's EBITDA. Management believes that EBITDA represents useful means of assessing the performance of the Group's on-going operating activities, as it reflects the Group's earnings trends without showing the impact of certain charges. EBITDA is defined as earnings before interest, income tax expense, depreciation, depletion and amortization, finance income (expenses) net and other non-operating income (expenses). EBITDA is a supplemental non-IFRS financial measure used by management to evaluate operations.

Reportable segment results for the nine month period ended 30 September 2026 are shown in the table below:

		DWS			
	Upstream	Downstream	Petrochemical	Eliminations	Total
Segment revenue	43,035,664	279,812,131	18,192,353	(43,467,378)	297,572,770
Intersegment	40,846,923	2,620,455	-	(43,467,378)	-
External	2,188,741	277,191,676	18,192,353	-	297,572,770
Adjusted EBITDA (Segment results)	**28,185,085**	**35,593,885**	**(4,075,180)**	**-**	**59,703,790**
Depreciation, depletion and amortization	(11,981,463)	(9,625,570)	(558,042)	-	(22,165,075)
Impairment of non-financial assets (note 20)	(6,541,750)	(279,271)	-	-	(6,821,021)
Share of loss in joint ventures	-	(575,754)	-	-	(575,754)
Net foreign exchange loss	(467,167)	(468,894)	(38,946)	-	(975,007)
Finance expenses, net	(562,696)	(691,419)	(5,082)	-	(1,259,197)
Income tax	(216,333)	(4,912,008)	10,292	-	(5,118,049)
Segment profit/(loss)	8,430,654	19,737,632	(5,090,912)	-	23,077,374

Reportable segment results for the nine month period ended 30 September 2025 are shown in the table below:

		DWS			
	Upstream	Downstream	Petrochemical	Eliminations	Total
Segment revenue	35,421,337	216,814,176	13,714,156	(36,264,444)	229,685,225
Intersegment	33,844,177	2,420,267	-	(36,264,444)	-
External	1,577,160	214,393,909	13,714,156	-	229,685,225
Adjusted EBITDA (Segment results)	**21,780,515**	**5,869,326**	**(6,505,339)**	**-**	**21,144,502**
Depreciation, depletion and amortization	(11,560,448)	(10,033,278)	(629,114)	-	(22,222,840)
Share of profit in joint ventures	-	803,842	-	-	803,842
Net foreign exchange loss	(265,571)	(388,112)	(20,160)	-	(673,843)
Finance expenses, net	(446,031)	(981,944)	(3,921)	-	(1,431,896)
Income tax	(14,466)	1,425,001	(12,605)	-	1,397,930
Segment profit/(loss)	10,348,462	(3,211,815)	(7,420,639)	-	(283,992)

Adjusted EBITDA for the three and nine month period ended 30 September 2026 and 2025 is reconciled below:

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Profit/(loss) for the period	13,235,264	3,322,223	23,077,374	(283,992)
Income tax	2,761,192	(21,514)	5,118,049	(1,397,930)
Finance expenses	780,386	727,978	2,179,878	2,303,652
Finance income	(406,437)	(407,017)	(920,681)	(871,756)
Depreciation, depletion and amortization	7,487,623	7,482,101	22,165,075	22,222,840
Share of (profit)/loss in joint ventures	270,528	(276,366)	575,754	(803,842)
Net foreign exchange loss	252,672	59,992	975,007	673,843
Other (income)/expenses, net	461,843	107,132	6,462,273	(1,133,317)
Other non-operating (income)/expense, net	(273,599)	(41,641)	71,061	435,004
Adjusted EBITDA	**24,569,472**	**10,952,888**	**59,703,790**	**21,144,502**

Impact of major one-off items and the result of HIP Petrohemija on the Group result

For the purpose of providing a better understanding of the Group's underlying performance, the table below presents an analysis of the consolidated result for the nine month period ended 30 September 2026 and 30 September 2025. The analysis shows the Group's result before one-off items related to impairment losses, as well as the Group's result excluding the impact of the result of HIP Petrohemija, which is included in the consolidated result of the Group.

The impairment losses relate to marketing assets in subsidiary in Bulgaria and to O&G assets in subsidiary in Romania, as disclosed in note 9 to the consolidated financial statements.

	Nine month period ended 30 September	
	2026	2025
Group profit/(loss) for the period	**23,077,374**	**(283.992)**
Impairment of asset in subsidiary in Bulgaria (note 9)	273,135	-
Impairment of asset in subsidiary in Romania (note 9)	6,046,607	-
Income tax effect	(1,167,412)	-
Group profit/(loss) for the period before impairment loss	**28,229,704**	**(283.992)**
Loss of HIP Petrohemija	5,090,912	7,420,639
Group profit for the period before impairment loss and loss of HIP Petrohimija	**33,320,616**	**7,136,647**

During the nine month period ended 30 September 2026, the Group recognised impairment losses in respect of certain assets related to its operations in Romania and Bulgaria.

The impairment relating to subsidiary in Romania in the amount of 6,046,607 RSD (note 9) reflects an updated assessment of the recoverable amount, considering the terms of the signed sales agreement (note 27). The impairment relating to subsidiary in Bulgaria in the amount of 273,135 RSD reflects an updated assessment of

the recoverable amount, considering changes in the net assets subject to the transaction and the resulting affect on the estimated consideration.

These assessments are based on the information and estimates available as at the reporting date and may be updated as the respective transactions progress.

Oil, gas, petroleum and petrochemical products sales, sales of electricity, lease revenue and other sales comprise the following:

	Nine month period ended 30 September	
	2026	2025
Sale of crude oil	4,454,180	74,751
Sale of gas	433,630	105,784
Wholesale activities	433,630	105,784
Sale of petroleum products	258,638,686	197,178,760
Through a retail network	90,336,200	81,383,107
Wholesale activities	168,302,486	115,795,653
Sale of petrochemical products	18,107,817	13,659,807
Sale of electricity	811,906	490,199
Lease revenue	326,517	310,320
Other sales	14,800,034	17,865,604
Total sales	**297,572,770**	**229,685,225**

Other sales mainly relate to sales of non-fuel products at petrol stations in the amount of 10,094,683 RSD (2025: 12,392,874 RSD).

All performance obligations related to customers are satisfied at the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation.

4. CASH AND CASH EQUIVALENTS

	30 September 2026	31 December 2025
Cash in bank and in hand	13,145,033	7,205,585
Deposits with original maturity of less than three months	21,530,853	22,956,223
Cash equivalents	2,251	3,386
Restricted cash	358,256	354,910
	35,036,393	**30,520,104**

The fair value of cash and cash equivalents approximates their carrying value.

Restricted cash includes temporarily frozen funds held in a bank account in Bulgaria, in accordance with a decision by the National Competent Authority in Bulgaria regarding the implementation of EU restrictive measures. The Group is actively working with its legal advisors to remove these restrictions and enable the use of the funds.

5. SHORT-TERM FINANCIAL ASSETS

	30 September 2026	31 December 2025
Short-term loans	12,582	37,165
Less impairment loss provision	(2,180)	(2,180)
	10,402	**34,985**

The fair value of short-term financial assets approximates their carrying value.

6. TRADE AND OTHER RECEIVABLES

	30 September 2026	31 December 2025
Trade receivables	26,694,614	27,908,744
Other receivables	77,693	81,967
Less impairment provision for trade receivables	(7,006,679)	(7,287,871)
Less impairment provision for other receivables	(27,544)	(30,193)
	19,738,084	**20,672,647**

The Management of the Group regularly assesses the credit quality of trade and other receivables taking into account the analysis of the ageing profile of receivables and the duration of the relationships with the Group.

Management believes that the non-impaired trade and other receivables and other current assets are fully recoverable.

The carrying amounts of the Group's trade and other receivables are mostly denominated in RSD.

7. INVENTORIES

	30 September 2026	31 December 2025
Crude oil	58,075,946	13,981,138
Petroleum products	27,474,612	19,341,142
Materials and supplies	9,916,934	9,512,526
Other	1,216,656	1,455,893
Less impairment provision	(5,094,739)	(5,143,451)
	91,589,409	**39,147,248**

8. OTHER CURRENT ASSETS

	30 September 2026	31 December 2025
Advances paid	1,246,958	3,415,521
VAT receivables	251,582	120,031
Deferred VAT	943,539	1,298,915
Prepaid expenses	300,868	251,405
Prepaid custom duties	104,785	101,351
Prepaid excise	3,220,939	3,107,734
Other current assets	7,896,576	8,195,797
Less impairment provision	(7,510,457)	(7,503,683)
	6,454,790	**8,987,071**

Deferred VAT as at 30 September 2026 amounting to 943,539 RSD (31 December 2025: 1,298,915 RSD) represents VAT inputs claimed on invoices received and accounted for in the current period, while the inputs will be allowed in the following accounting period.

Prepaid excise as at 30 September 2026 amounting to 3,220,939 RSD (31 December 2025: 3,107,734 RSD) relates to the excise paid for the finished products stored in the non-excise warehouse and the excise paid for the imported products used in the further production process, which will be refunded in the near future.

9. PROPERTY, PLANT AND EQUIPMENT

	Oil and gas properties	Refining assets	Marketing and distribution assets	Other assets	Assets under construction	Total
As at 1 January 2026						
Cost	299,265,216	195,730,709	90,057,695	17,638,578	35,444,290	638,136,488
Depreciation and impairment	(139,354,096)	(103,927,380)	(46,114,466)	(10,066,808)	(2,161,885)	(301,624,635)
Net book value	**159,911,120**	**91,803,329**	**43,943,229**	**7,571,770**	**33,282,405**	**336,511,853**
Period ended 30 September 2026						
Additions	16,076,256	2,274,342	3,733,440	321,375	(5,470,865)	16,934,548
Changes in decommissioning obligations	195,449	-	-	-	-	195,449
Impairment (note 20)	(2,557,128)	-	(273,135)	-	(3,987,435)	(6,817,698)
Depreciation	(11,437,959)	(6,909,801)	(2,301,211)	(396,011)	-	(21,044,982)
Transfer from investment property	18,513	-	1,534	28,057	-	48,104
Transfer from non-current assets held for sale	-	-	-	1,267	-	1,267
Disposals and write-off	(74,999)	(1,334)	(27,195)	(47)	(5)	(103,580)
Other transfers	(44,092)	(1,819)	(14,946)	28,243	(133,591)	(166,205)
Translation differences	(152,090)	-	(45,466)	-	(114,746)	(312,302)
	161,935,070	**87,164,717**	**45,016,250**	**7,554,654**	**23,575,763**	**325,246,454**
As at 30 September 2026						
Cost	315,455,673	197,945,738	93,228,646	17,902,952	29,624,043	654,157,052
Depreciation and impairment	(153,520,603)	(110,781,021)	(48,212,396)	(10,348,298)	(6,048,280)	(328,910,598)
Net book value	**161,935,070**	**87,164,717**	**45,016,250**	**7,554,654**	**23,575,763**	**325,246,454**

As at 30 September 2026, the Group assessed indicators of impairment for its cash-generating units ("CGUs"). Based on this assessment, the Group recognized impairment losses of 6,817,698 RSD. The impairment mainly relates to the Marketing asset 273,135 RSD, Oil & Gas Assets 2,557,128 and Assets under Construction within the Oil & Gas segment 3,489,479 RSD and reflects indications that the expected recoverable amounts of these assets are lower than their carrying value (note 3 and 20). These assessments involve significant judgment and are subject to ongoing reassessment.

10. RIGHT-OF-USE ASSETS

Movements in right-of-use assets for the nine month period ended 30 September 2026 are as follows:

	Land	Property	Plant and equipment	Vehicles	Total
As at 1 January 2026	**99,340**	**1,051,238**	**571,782**	**1,941,243**	**3,663,603**
Additions	5,982	6,494	69,158	156,645	238,279
Depreciation	(7,763)	(139,325)	(160,093)	(232,933)	(540,114)
Disposals	-	(157,291)	-	(70,542)	(227,833)
Effect of contract modifications and changes in estimates	-	-	-	(262)	(262)
Foreign currency translation	(2,866)	289	-	56	(2,521)
As at 30 September 2026	**94,693**	**761,405**	**480,847**	**1,794,207**	**3,131,152**

11. OTHER NON-CURRENT ASSETS

	30 September 2026	31 December 2025
Advances paid for PPE	1,276,765	1,527,977
Prepaid expenses	42,757	56,818
Other assets	881,700	921,728
Less allowance for other assets	(275,413)	(273,895)
Less allowance for advances paid	(185,953)	(183,948)
	1,739,856	**2,048,680**

12. SHORT-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT

	30 September 2026	31 December 2025
Interest liabilities	175,639	128,572
Current portion of long-term loans (note 16)	17,733,806	19,245,155
	17,909,445	**19,373,727**

13. TRADE AND OTHER PAYABLES

	30 September 2026	31 December 2025
Trade payables	12,328,357	11,240,739
Dividends payable	2,071,903	5,844,191
Other accounts payable	1,447,561	1,646,441
	15,847,821	**18,731,371**

14. OTHER CURRENT LIABILITIES

	30 September 2026	31 December 2025
Contract liabilities arising from contracts with customers:		
- Advances received	4,771,253	2,092,821
- Customer loyalty	946,943	804,379
- Deferred income	103,935	75,828
Payables to employees	5,858,082	3,615,606
Other current non-financial liabilities	204,339	454,620
	11,884,552	**7,043,254**

Revenue in the amount of 2,039,971 RSD recognized in the current reporting period (30 September 2025: 5,489,852 RSD) related to the contract liabilities as at the beginning of the year. Of this amount, 1,659,697 RSD (30 September 2025 4,863,422 RSD) related to revenue from advances received in previous periods, while 380,274 RSD (30 September 2025: 626,430 RSD) related to revenue from the customer loyalty programme.

15. OTHER TAXES PAYABLE

	30 September 2026	31 December 2025
Mineral extraction tax	491,911	501,157
VAT	4,336,514	2,464,268
Excise tax	7,565,740	3,403,527
Contribution for State commodity reserves	377,472	128,631
Custom duties	146,596	7,499
Energy efficiency fee	46,883	15,063
Other taxes	2,238,539	824,949
	15,203,655	**7,345,094**

16. LONG-TERM DEBT

	30 September 2026	31 December 2025
Bank loans	41,924,371	46,392,417
Other long-term borrowings	905,639	897,946
Less current portion (note 12)	(17,733,806)	(19,245,155)
	25,096,204	**28,045,208**

Movements on the Group's liabilities from bank loans are as follows:

	Nine month period ended 30 September	
	2026	2025
Long-term loans at 1 January	**46,392,417**	**65,159,107**
Proceeds	1,184,359	4,464,639
Repayment	(5,753,971)	(6,627,264)
Non-cash transactions	14,760	28,051
Foreign exchange difference	86,806	102,725
Long-term loans at 30 September	**41,924,371**	**63,127,258**

Bank loans

	30 September 2026	31 December 2025
Total bank loans	41,924,371	46,392,417
Current portion	(17,733,806)	(19,245,155)
	24,190,565	**27,147,262**

The maturity of bank loans was as follows:

	30 September 2026	31 December 2025
Between 1 and 2 years	15,515,195	6,323,800
Between 2 and 5 years	8,557,166	20,578,503
Over 5 years	118,204	244,959
	24,190,565	**27,147,262**

The carrying amounts of bank loans in the amount of 41,924,371 RSD (31 December 2025: 46,392,417 RSD) are denominated in EUR.

The Group repays loans in accordance with the agreed dynamics, i.e. determined annuity plans. The Group has both fixed and floating interest rates with the creditors. Floating interest rates are connected with Euribor. Management expects that the Group will be able to fulfil its obligations within the agreed timeframe.

The loan agreements contain financial covenants that require the Group to maintain a ratio of Consolidated Indebtedness to Consolidated EBITDA (note 3). Management believes the Group is in compliance with these covenants as of 30 September 2026 and 31 December 2025 respectively.

Other long-term borrowings in the amount of 905,639 RSD (31 December 2025: 897,946 RSD) mainly relate to the corporate bonds.

17. LEASE LIABILITIES

	30 September 2026	31 December 2025
Non-current lease liabilities	1,304,647	2,063,674
Current lease liabilities	917,659	1,150,161
	2,222,306	**3,213,835**

Amounts recognized in profit and loss:

	Nine month period ended 30 September	
	2026	2025
Interest expense (included in finance cost) (note 23)	89,185	107,484
Expense relating to short-term leases and other lease contracts excluded from IFRS 16	59,134	96,262
Expense relating to leases of low value assets that are not shown above as short-term leases	54,735	52,829
Expense relating to variable lease payments not included in lease liabilities	1,869,464	1,808,293

Movements on the Group's liabilities from lease activities are as follows:

	Nine month period ended 30 September	
	2026	2025
As at 1 January	**3,213,835**	**3,554,987**
Repayment	(890,922)	(711,356)
Non-cash transactions	(97,756)	304,859
Foreign exchange difference	(2,851)	4,647
As at 30 September	**2,222,306**	**3,153,137**

18. PRODUCTION, MANUFACTURING AND COST OF OTHER SALES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Employee costs	3,803,062	3,822,648	11,607,219	11,290,307
Materials and supplies (other than O&G and petroleum products)	975,291	1,077,755	2,873,643	3,037,333
Current repair and maintenance cost	1,164,525	1,331,642	3,345,254	3,518,444
Electricity for resale	14,742	28,856	39,147	74,141
Electricity and utilities	4,228,147	4,456,708	11,833,776	12,609,168
Safety and security expense	41,548	131,624	227,408	574,573
Transportation services for production	167,377	200,193	512,020	562,811
Other	2,553,113	2,150,558	5,194,686	6,022,951
	12,947,805	**13,199,984**	**35,633,153**	**37,689,728**

19. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Employee costs	6,414,454	6,014,828	18,531,820	17,695,650
Commission and agency fees	114,802	195,663	382,337	588,765
Legal, audit and consulting services	201,652	261,331	556,059	721,994
Current repair and maintenance cost	557,911	535,463	1,562,380	1,656,289
Cost of advertising, marketing and sponsorship	134,738	191,923	483,278	634,718
Electricity and utilities	251,398	271,527	841,803	817,651
Rent expense	21,707	24,457	40,269	53,728
Business trips expense	36,488	44,787	89,456	126,064
Safety and security expense	326,174	333,333	958,080	931,111
Insurance expense	23,311	21,190	68,616	71,744
Transportation and storage	72,137	54,141	183,200	180,648
Allowance for doubtful accounts	(43,512)	40,562	(48,428)	(16,832)
Other	736,820	1,051,731	2,206,949	2,928,635
	8,848,080	**9,040,936**	**25,855,819**	**26,390,165**

Other expenses in the amount of 2,206,949 RSD (2025: 2,928,636 RSD) mainly relate to bank charges, IT services, telecommunication services and other services.

20. OTHER INCOME/(EXPENSE), NET

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Penalties	36,263	61,436	329,085	96,482
(Charge)/release of provisions (legal, environmental, etc.), net	(387,687)	(91,244)	(471,750)	1,065,734
Impairment of non-financial assets (note 9)	(388,770)	(7,756)	(6,821,021)	(83,249)
Gain from write-off of accounts payable	11,349	2,030	157,399	5,407
ARO - Change in estimate	7,059	5,637	1,976	5,637
Charity and social payments	(12,757)	(20,478)	(20,272)	(31,121)
Other	272,700	(56,757)	362,310	74,427
	(461,843)	**(107,132)**	**(6,462,273)**	**1,133,317**

21. NET FOREIGN EXCHANGE LOSS

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Foreign exchange gain/(loss) on financing activities including:				
- foreign exchange gain	78,992	84,709	110,454	219,056
- foreign exchange loss	(282,505)	(97,037)	(954,232)	(326,428)
Net foreign exchange loss on operating activities	(49,159)	(47,664)	(131,229)	(566,471)
	(252,672)	**(59,992)**	**(975,007)**	**(673,843)**

22. FINANCE INCOME

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Interest on bank deposits	404,214	404,535	911,519	862,472
Interest income on loans issued	2,223	2,482	5,937	9,284
Gains on restructuring of borrowings	-	-	3,225	-
	406,437	**407,017**	**920,681**	**871,756**

23. FINANCE EXPENSES

	Three month period ended 30 September		Nine month period ended 30 September	
	2026	2025	2026	2025
Interest expense	654,780	687,721	1,807,641	2,211,468
Losses on restructuring of borrowings	6,686	10,259	17,983	28,051
Decommissioning provision: unwinding of the present value discount	121,346	38,172	363,067	110,211
Provision of trade and other non-current receivables: discount	(2,426)	(8,174)	(8,813)	(37,584)
Less: amounts capitalised on qualifying assets	-	-	-	(8,494)
	780,386	**727,978**	**2,179,878**	**2,303,652**

Interest expense includes expenses on lease liabilities in the amount of 89,185 RSD for the nine month period ended 30 September 2026 (107,484 RSD for the nine month period ended 30 September 2025 accordingly) (Note 17).

24. INCOME TAX

In the first half of 2025, NIS applied tax consolidation for the 2024 tax year, following approval by the tax authorities. This was done in accordance with Serbian tax legislation, which allows a group of related legal entities—where one company directly or indirectly holds at least 75% ownership in the others—to be treated as a single taxpayer for corporate income tax purposes. All entities within the group must be tax residents of the Republic of Serbia, and once approved, the consolidation is valid for a period of five years.

As a result of the tax consolidation, the Company was able to utilize accumulated tax losses of certain subsidiaries to offset the consolidated taxable base, leading to a significant tax credit. This tax benefit, relating to the tax year 2024, was recognized in the financial year 2025 upon receipt of the final tax assessment. The effect of this tax benefit has been accounted for in accordance with IAS 12 – Income Taxes and is reflected in the income tax expense line item in the statement of profit and loss.

Effect of current income tax and the adjustment in respect of prior year are presented in the table below:

	Nine month period ended 30 September	
	2026	2025
Current income tax effect	(5,783,717)	(1,008,128)
Effect of tax consolidation (2024)	-	1,668,167
Other adjustments of prior year	(6,647)	-
Deferred income tax	672,315	737,891
Total income tax	**(5,118,049)**	**1,397,930**

25. FAIR VALUE MEASUREMENT

The following assets are measured at fair value in the Interim Condensed Consolidated Financial Statements: investment properties, financial investments classified as available for sale and other non-current financial assets and liabilities. The valuation techniques and inputs used in fair value measurements are on the same basis as disclosed in the Consolidated Financial Statements as of 31 December 2025. There were no transfers between the levels of the fair value hierarchy during 2026.

As of 30 September 2026 the carrying value of financial assets approximates their fair value.

26. CONTINGENCIES AND COMMITMENTS

Taxes

Tax laws are subject to different interpretations and frequent amendments. Tax authorities' interpretation of Tax laws may differ to those made by the Group's management. As a result, some transactions may be disputed by tax authorities and the Group may have to pay additional taxes, penalties and interests. Tax liability due date is five years. Tax authorities have the right to determine unpaid liabilities within five years since the transaction date. Management has assessed that the Group has paid all tax liabilities as of 30 September 2026.

Economic environment in the Republic of Serbia

The exacerbation of the geopolitical situation as a result of further developments related to Ukraine has led to increased volatility in commodity and financial markets. This has been further intensified by rising tensions in the Middle East, including risks to energy supply and broader regional stability.

Currently the Group is continuing the assessment of the sanctions' impact on the Group's operations.

The management is taking necessary measures to ensure the sustainability of the Group's operations. However, the future effects of the current economic situation are difficult to predict and the management's current expectations and estimates could differ from the actual results.

Environmental protection

Based on an internal assessment of compliance with the Republic of Serbia's environmental legislation as at the reporting date, the Group's management recognised an environmental provision in the amount of 589,475 RSD (31 December 2025: 302,404 RSD).

The Group's Management believes that cash outflows related to provision will not be significantly higher than those already provided for. However, it is possible that these costs could increase significantly in the future, should the legislation become more restrictive.

Capital commitments

As of 30 September 2026 the Group has entered into contracts to purchase property, plant and equipment in the amount of 4,784,225 RSD (31 December 2025: 3,177,738 RSD).

There were no other material commitments and contingent liabilities of the Group.

27. GROUP STRUCTURE

The immediate and ultimate holding company of the Group is PJSC Gazprom. In relation to the company Gazprom, NIS is a member of the Gazprom Group on the grounds that legal entities (included in one group of entities), by virtue of their joint participation, have more than fifty percent of the total number of votes attributable to voting shares in the authorized capital of the Company.

Sale of subsidiaries in Bulgaria and Romania

As at 30 September 2026, the sale of subsidiaries in Bulgaria and Romania had not been completed. Completion of each transaction is subject to the condition's precedent set out in the respective sale agreements, including receipt of the required licences from the U.S. Office of Foreign Assets Control ("OFAC"). As at that date these conditions had not yet been fulfilled, and the Group continues to take the steps necessary to satisfy them.

28. RELATED PARTY TRANSACTIONS

For the purpose of these Interim Consolidated Financial Statements parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operational decision as defined by IAS 24 Related Party disclosure.

In the nine month period ended 30 September 2026 and in the same period in 2025, the Group entered into business transactions with its related parties. The most significant transactions with related parties in the mentioned periods related to the supply/delivery petroleum products and energy.

As at 30 September 2026 and 31 December 2025 the outstanding balances, presented net of impairment, with the related parties were as follows:

	Parent company	Parent's subsidiaries and associates	Joint venture
As at 30 September 2026			
Short-term financial assets	-	10,562	-
Trade and other receivables	-	389,150	14,044
Other current assets	-	1,477	233
Investments in joint venture	-	-	2,818,757
Trade and other non-current receivables	-	-	1,029,277
Trade and other payables	-	(2,077,082)	(116,598)
Other current liabilities	-	(436,515)	(299)
	-	**(2,112,408)**	**3,745,414**
As at 31 December 2025			
Short-term financial assets	-	35,145	-
Trade and other receivables	-	164,416	17,759
Other current assets	-	1,477	-
Investments in joint venture	-	-	3,394,511
Trade and other non-current receivables	-	-	1,013,125
Trade and other payables	-	(2,078,671)	(188,575)
Other current liabilities	-	(329)	(213)
	-	**(1,877,962)**	**4,236,607**

For the nine month period ended 30 September 2026 and 2025 the following transactions occurred with the related parties:

	Parent	Parent's subsidiaries and associates	Joint venture
Nine month period ended 30 September 2026			
Revenues from sales of products and services	-	1,798,901	51,052
Expenses based on procurement of products and services	-	(142)	(507,375)
Other income, net	-	956	2,371
	-	**1,799,715**	**(453,952)**
Nine month period ended 30 September 2025			
Revenues from sales of products and services	-	1,408,829	135,118
Expenses based on procurement of products and services	-	(205,807)	(1,513,631)
Other income, net	-	2,661	1,605
	-	**1,205,683**	**(1,376,908)**

29. EVENTS AFTER THE REPORTING DATE

All events occurring after the reporting date from 30 September 2026 to 28 October 2026, when these Interim Condensed Consolidated Financial Statements were approved, have been taken into account.

Statement of individuals responsible for the preparation of report

We hereby declare that, to the best of our knowledge, the quarterly report has been prepared in accordance with applicable accounting standards and that it provides a true and objective overview of data on assets, liabilities, profits and losses, revenues and expenditures, the financial position of the Company, including all companies included in the group with which it forms an economic entity, and that the quarterly management report contains an objective overview of the information required in accordance with the Law on the Capital Market.

The financial statements, which are an integral part of the Quarterly Report, have not been audited.

Anton Cherepanov

Deputy CEO,
Head of Function for Finance, Economics,
Planning and Accounting
NIS j.s.c. Novi Sad

Branko Mitrović

Head of Multifunctional Shared Service
Center
NIS j.s.c. Novi Sad

Contacts

NIS j.s.c. Novi Sad
E-mail: office@nis.rs

12, Narodnog fronta St.
21000 Novi Sad, Serbia
(+381 21) 481 1111

1, Milentija Popovića St.
11000 Belgrade, Serbia
(+381 11) 311 3311

Investor Relations Services
E-mail: Investor.Relations@nis.rs

12, Narodnog fronta St.
21000 Novi Sad, Serbia

Practice for Public Company Compliance
E-mail: servis.akcionara@nis.rs

1, Milentija Popovića St.
11000 Belgrade, Serbia
Info Service: (011) 22 000 55

Glossary

Abbreviation	Meaning
3D	Three-dimensional
2D	Two-dimensioal
a.d.o.	Insurance joint stock company
B&H	Bosnia and Herzegovina
bn	billion
BoD	Board of Directors
BV	Book Value
CAPEX	Capital Expenditures
CCPP	Combined-Cycle Power Plant
CNG	Compressed natural gas
CO_2	Carbon Dioxide
DWS	Downstream
EBITDA	Earnings before interest, Taxes, depreciation and amortisation
EPS	Earnings per share
EU	European Union
EUR	Euro
GHG	Greenhouse gas
HR	Human Resources
HSE	Health, Safety and the Environment
IRMS	Integrated Risk Management System
IT	Information Technology
JPOA	Publicly Recognised Adult Education Organiser
j.s.c. or JSC	Joint Stock Company
LLC or llc	Limited Liability Company
LPG	Liquefied Petroleum Gas
LTIF	Lost Time Injury Frequency
m^2	Square meter
m^3	Cubic meter
MW	Megawatt, SI unit of electricity
OCF	Operating Cash Flow
OPEC	Organization of the Petroleum Exporting Countries
OPEX	Operational Expenditure
P/BV	Price/Book Value
P/E	Price/EPS
RSD	Serbian Dinar
SDN	Specially Designated Nationals
SNNP	Sa nama na putu cart (On the road with us card)
STC	Scientific and Technological Centre (STC NIS – Naftagas LLC Novi Sad)
t.o.e.	Tonnes of oil equivalent
TWh	Terawatt-hour
USD	US dollar
USD/bbl	US dollars per barrel
VAT	Value Added Tax

The Report contains statements on uncertain future events. Statements on uncertain future events involve statements which are not historical facts, statements with regard to the NIS Group's intentions, beliefs or current expectations related to, inter alia, the NIS Group's business results, financial standing and liquidity, prospects, growth, strategies and industrial sectors in which the NIS Group does business. For the reason that they relate to the events and depend on the circumstances which may or may not realize in the future, statements on uncertain future events by their nature involve risks and uncertainty, including, but without limitation to risks and uncertainties that the NIS Group has identified in other publicly available documents. NIS Group hereby warns that there are no guarantees that the statements on uncertain future events will be realized in the future and that actual business results, financial standing and liquidity, as well as the development of the industrial sector in which the NIS Group does business, may considerably differ from the ones represented or assumed by statements on uncertain future events. In addition, even if the NIS Group's business results, its financial standing and liquidity, and the development of the industrial sector in which the NIS Group does business happen to comply with the statements on uncertain future events contained herein, the results and development are not indicative of the results and development in upcoming periods. The information contained herein has been presented on the date of the Report and may be changed without prior announcement.