



Report on the operations of the Petrol Group and Petrol d.d., Ljubljana

In the first three months of 2022

PETROL

Energy for life

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STATEMENT OF THE MANAGEMENT BOARD

Members of the Management Board of Petrol d.d., Ljubljana, which comprises Nada Drobne Popović, President of the Management Board, Matija Bitenc, Member of the Management Board, Jože Bajuk, Member of the Management Board, Jože Smolič, Member of the Management Board, and Zoran Gračner, Member of the Management Board/Worker Director, declare that to their best knowledge:

- the financial report of the Petrol Group and Petrol d.d., Ljubljana for the first three months of 2022 has been drawn up in accordance with International Financial Reporting Standards as adopted by the EU and gives a true and fair view of the assets and liabilities, financial position, financial performance and comprehensive income of Petrol d.d., Ljubljana and other consolidated companies as a whole;
- the business report of the Petrol Group and Petrol d.d., Ljubljana for the first three months of 2022 gives a fair view of the development and results of the Company's operations and its financial position, including the description of material risks that Petrol d.d., Ljubljana and other consolidated companies are exposed to as a whole;
- the report of the Petrol Group and Petrol d.d., Ljubljana for the first three months of 2022 contains a fair presentation of significant transactions with related entities, which has been prepared in accordance with International Financial Reporting Standards.



Nada Drobne Popović
President of the Management Board



Matija Bitenc
Member of the Management Board



Jože Bajuk
Member of the Management Board



Jože Smolič
Member of the Management Board



Zoran Gračner
Member of the Management Board and
Worker Director

Ljubljana, 12 May 2022

INTRODUCTORY NOTES

The report on the operations of the Petrol Group and Petrol, d.d., Ljubljana, Dunajska 50, in the first three months of 2022 has been published in accordance with the Market in Financial Instruments Act, the Ljubljana Stock Exchange Rules, Guidelines on Disclosure for Listed Companies and other relevant legislation.

The figures and explanatory notes on the operations are based on unaudited consolidated financial statements of the Petrol Group and unaudited financial statements of Petrol d.d., Ljubljana for the first three months of 2022 prepared in compliance with the Companies Act and IAS 34 – Interim Financial Reporting.

Subsidiaries are included in the consolidated financial statements prepared in accordance with IFRS on the basis of the full consolidation method, while jointly controlled entities and associates are included on the basis of the equity method.

In accordance with IFRS, investments in subsidiaries, jointly controlled entities and associates are carried at historical cost in the separate financial statements.

The report on the operations in the first three months of 2022 has been published on the website of Petrol d.d., Ljubljana (www.petrol.si, www.petrol.eu), and is available on demand at the registered office of Petrol d.d., Ljubljana, Dunajska cesta 50, 1000 Ljubljana, every working day between 8:00 am and 3:00 pm.

The Company's Supervisory Board discussed the report on the operations of the Petrol Group and Petrol d.d., Ljubljana in the first three months of 2022 at its meeting held on 19 May 2022.

Table 1: Profile of the parent company, Petrol d.d., Ljubljana

Company name	Petrol, slovenska energetska družba, d.d., Ljubljana
Abbreviated company name	Petrol d.d., Ljubljana
Registered office	Dunajska cesta 50, 1000 Ljubljana
Telephone	(01) 47 14 234
Website	http://www.petrol.si, http://www.petrol.eu
Activity code	47,301
Company registration number	5025796000
Tax number	SI 80267432
Share capital	EUR 52.24 million
Number of shares	2,086,301
President of the Management Board	Nada Drobne Popović
Members of the Management Board	Matija Bitenc, Jože Bajuk, Jože Smolič, Zoran Gračner (worker director)
President of the Supervisory Board	Janez Žlak

ALTERNATIVE PERFORMANCE MEASURES

To present its business performance, the Petrol Group also uses alternative performance measures (APMs) as defined by ESMA. The APMs we have chosen provide additional information about the Petrol Group's performance.

List of alternative performance measures

APM	Calculation information	Reasons for choosing the measure
Adjusted gross profit	Adjusted gross profit = Revenue from the sale of merchandise and services – Cost of goods sold	The Petrol Group has no direct influence over global energy prices, which makes the adjusted gross profit more appropriate to monitor business performance.
EBITDA	EBITDA = Operating profit without allowances for operating receivables and impairment of goodwill + Depreciation and amortisation charge.	EBITDA indicates business performance and is the primary source for ensuring returns to shareholders.
EBITDA/Adjusted gross profit	Ratio = EBITDA/Adjusted gross profit	The ratio is a good approximation of the share of free cash flows from operating activities in adjusted gross profit.
Operating costs/Adjusted gross profit	Ratio = Operating costs/Adjusted gross profit	The ratio is relevant because it concerns the cost-effectiveness of operations.
Net debt/Equity	Net debt = Current and non-current financial liabilities + Current and non-current lease liabilities – Cash and cash equivalents; Ratio = Net debt/Equity	The ratio reflects the relation between debt and equity and is, as such, relevant for monitoring the Company's capital adequacy.
Net debt/EBITDA	Ratio = Net debt/EBITDA	The ratio expresses the Petrol Group's ability to settle its financial obligations, indicating in how many years financial debt can be settled using existing liquidity and cash flows from operating activities.
Added value/Employee	Added value per employee = (EBITDA + Integral labour costs)/Average number of employees. Integral labour costs = Labour costs relating to Petrol Group employees + Labour costs relating to third-party managed service stations, which stood at EUR 6.2 million in the period from January to March 2022 and EUR 6.5 million in the period from January to March 2021.	This productivity ratio indicates average newly created value per Petrol Group employee.
Working capital	Working capital = Operating receivables + Contract assets + Inventories – Current operating liabilities – Contract liabilities	The ratio reflects operational liquidity of the Petrol Group.
Net investments	Net investments = Investments in fixed assets (EUR 8.9 million in the period from January to March 2022) + Non-current investments (EUR 0.1 million in the period from January to March 2022) – Disposal of fixed assets (EUR 0.8 million in the period from January to March 2022).	The information about investments reflects the direction of the Petrol Group's development.
Book value per share	Book value per share = equity/total number of issued shares	Book value per share reflects the value of a public limited company's total equity per share.

HIGHLIGHTS

The Petrol Group's significant performance indicators

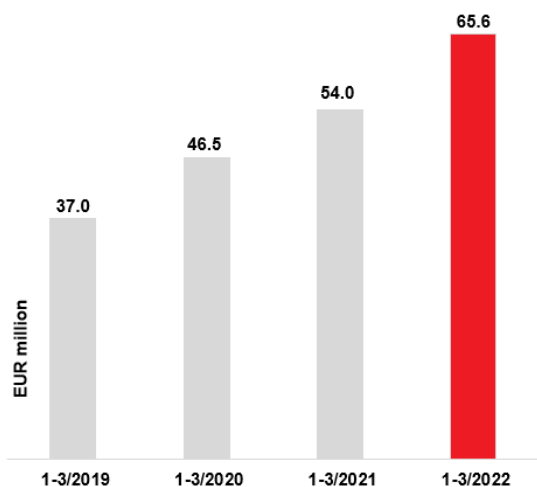
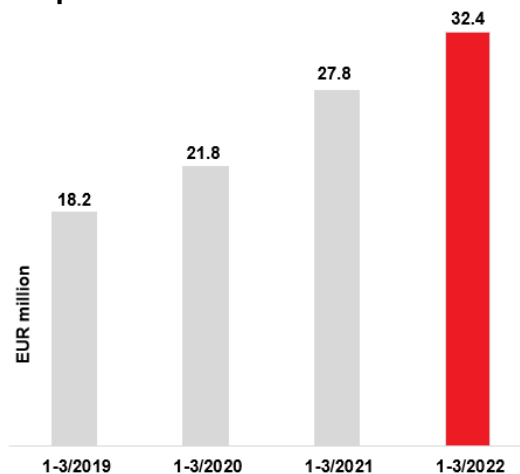
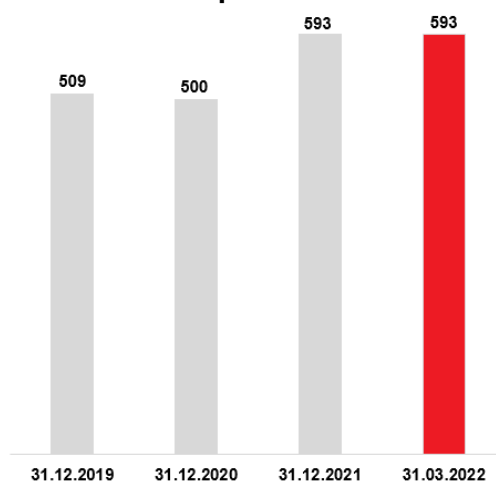
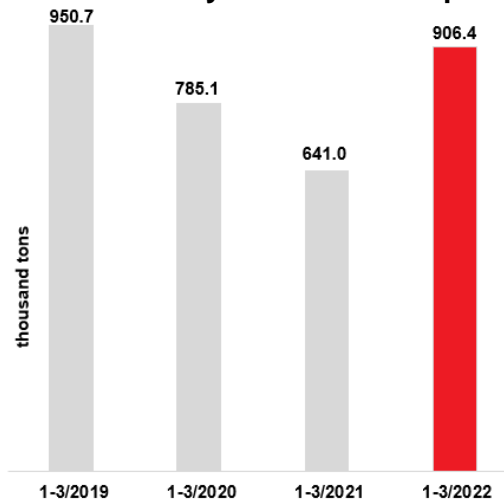
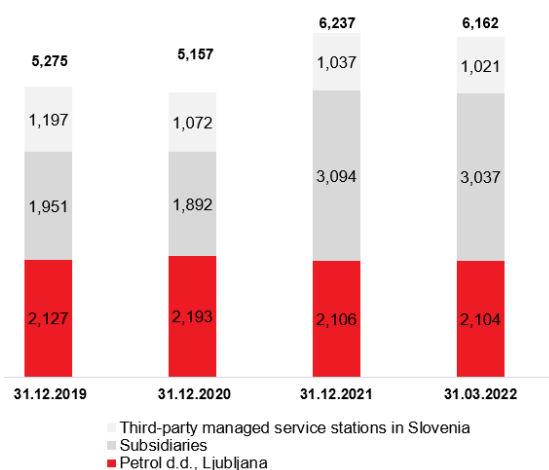
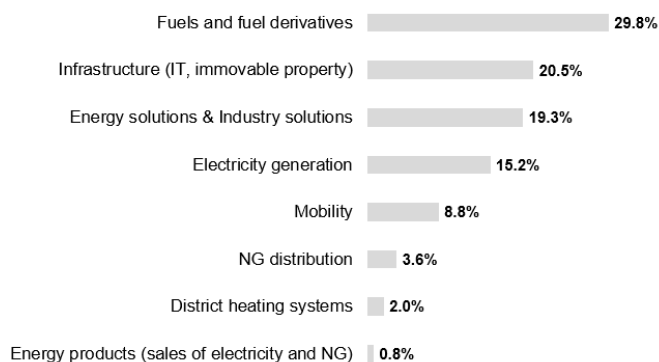
The Petrol Group	Unit	1-3 2022	1-3 2021	Index 2022/2021
Sales revenue	EUR million	1,936.8	911.9	212
Adjusted gross profit ¹	EUR million	162.2	137.1	118
Operating profit	EUR million	43.1	35.4	122
Net profit	EUR million	32.4	27.8	117
Equity ³	EUR million	948.0	908.7	104
Total assets ³	EUR million	2,507.8	2,383.5	105
EBITDA ¹	EUR million	65.6	54.0	121
EBITDA/Adjusted gross profit ¹	%	0.40	0.39	103
Operating costs/Adjusted gross profit ¹	%	70.9	70.9	100
Net debt/Equity ^{1, 3}		0.59	0.56	106
Net debt/EBITDA ^{1, 2}		1.9	2.1	89
Added value per employee ¹	EUR thousand	16.8	17.2	98
Majority owners' earnings per share	EUR	14.2	12.5	114
Net investments ¹	EUR million	8.2	19.4	42
Volume of fuels and fuel products sold	thousand tons	906.4	641.0	141
Volume of natural gas sold	TWh	5.7	12.9	44
Volume of electricity sold	TWh	2.9	3.5	84
Revenue from the sales of merchandise and services	EUR million	101.5	128.1	79

¹ Alternative performance measure (APM) as defined in chapter Alternative Performance Measures.

² EBITDA calculated at annual level.

³ Data for 2021 as at 31 December.

The Petrol Group	Unit	31 March 2022	31 December 2021	Index 2022/2021
Number of employees		6,162	6,237	99
Number of service stations		593	593	100
Number of e-charging points operated by the Petrol Group		323	296	109
Number of electricity customers	thousand	221	225	98
Number of natural gas customers (data for the Geoplin Group are not included)	thousand	52	47	111

Figure 1: EBITDA of the Petrol Group

Figure 2: Net profit or loss of the Petrol Group

Figure 3: Number of service stations of the Petrol Group

Figure 4: Volume of fuels and fuel products sold by the Petrol Group

Figure 5: Number of employees in the Petrol Group

Figure 6: Breakdown of the Petrol Group's investments in the first three months of 2022


Strategic Orientation

Our mission

Through a broad range of energy products, comprehensive energy solutions and digital approach, we are putting the user at the centre of our attention. We want to become the first choice for shopping on the go. Together with our partners, we create solutions for a simpler transition to cleaner energy sources. We are building a green energy future in a decisive and active manner, increasing the value for our customers, shareholders and society over the long term.

Our promise

Through energy transition, we create a green future and make a significant contribution to protecting our environment.

Our vision

To become an integrated partner in the energy transition, offering an excellent user experience.

Our values

- **Respect:** We respect fellow human beings and the environment.
- **Trust:** We build partnerships through fairness.
- **Excellence:** We want to be the best at all we do.
- **Creativity:** We use our own ideas to make progress.
- **Courage:** We work with enthusiasm and heart.

At Petrol, we feel a strong sense of responsibility towards our employees, customers, suppliers, business partners, shareholders and the society as a whole. We meet their expectations with the help of motivated and business-oriented staff, we adhere to the fundamental legal and moral standards in all markets where we operate, and we protect the environment.

BUSINESS REPORT

The Petrol Group's operations in the first three months of 2022

The beginning of 2022 was still marked by the presence of the Covid-19 epidemic. Economic growth was stable, although accompanied by high prices of energy products. All of this has affected the operations of the Petrol Group. Additionally, the situation on the energy market has been strongly affected by the war in Ukraine.

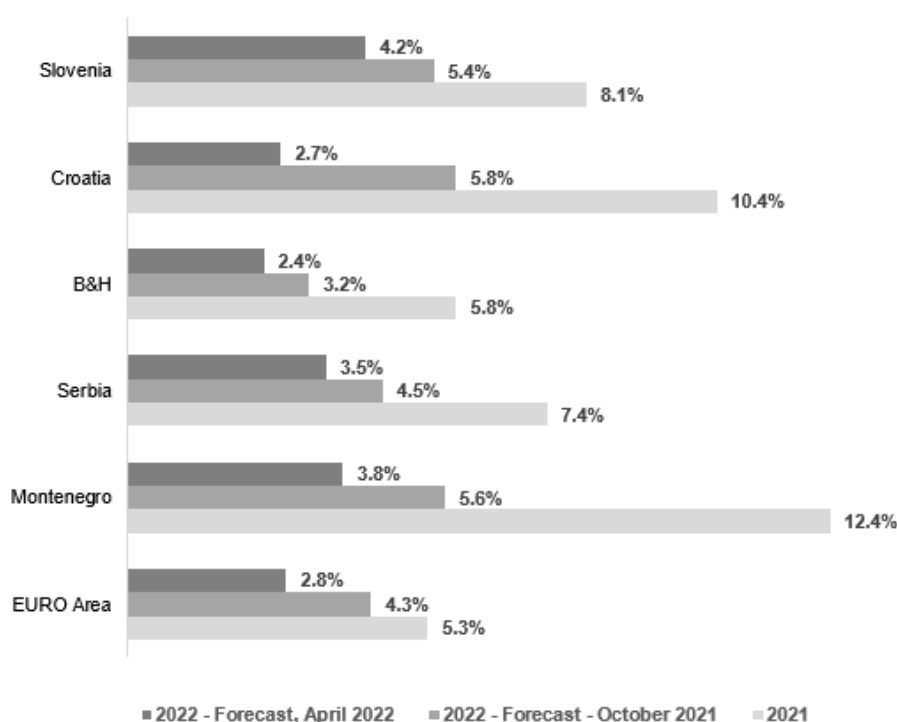
Business environment

The Petrol Group operates in two highly competitive industries – energy and trade. Besides trends in the area of energy and commerce, the Group's operations are subject to several other and often interdependent factors, in particular changes in energy product prices and the US dollar exchange rate, which are a reflection of global economic trends. In addition, operations in the Petrol Group's markets are influenced to an important extent by local economic conditions (economic growth, inflation rate, growth in consumption and manufacturing) and measures taken by governments to regulate prices and the energy market. Another factor are measures taken by countries to contain the pandemic, as shown when it had first emerged.

The Covid-19 pandemic gave rise to an economic crisis, which was then translated into lower economic growth, consumption and production. The sectors most affected by the pandemic include aviation, public and individual transport, tourism and personal services.

In its projections published in the World Economic Outlook at the beginning of October 2021, the International Monetary Fund expected the economy to recover. However, the outlook has worsened substantially with Russian invasion of Ukraine at the end of February. In April Forecast, the economic forecast for Slovenia was lowered from a 6.3 percent GDP growth to 3.7 percent and for Croatia from 6.3 to 2.7 percent GDP growth. According to IMAD's Spring Forecast, Slovenia's GDP is expected to increase by 4.2 percent in 2022, especially as result of domestic consumption.

The greatest risk to the forecast GDP growth is connected to the developments in the war in Ukraine and prices of energy products. The European Union is highly dependent on Russian gas imports. The already weakened trade flows with Russia have become even weaker, which may additionally affect the economic growth. Potential new Covid-19 flare-ups, also as result of new and more contagious virus variants, remain an important risk to more stable recovery of certain activities.

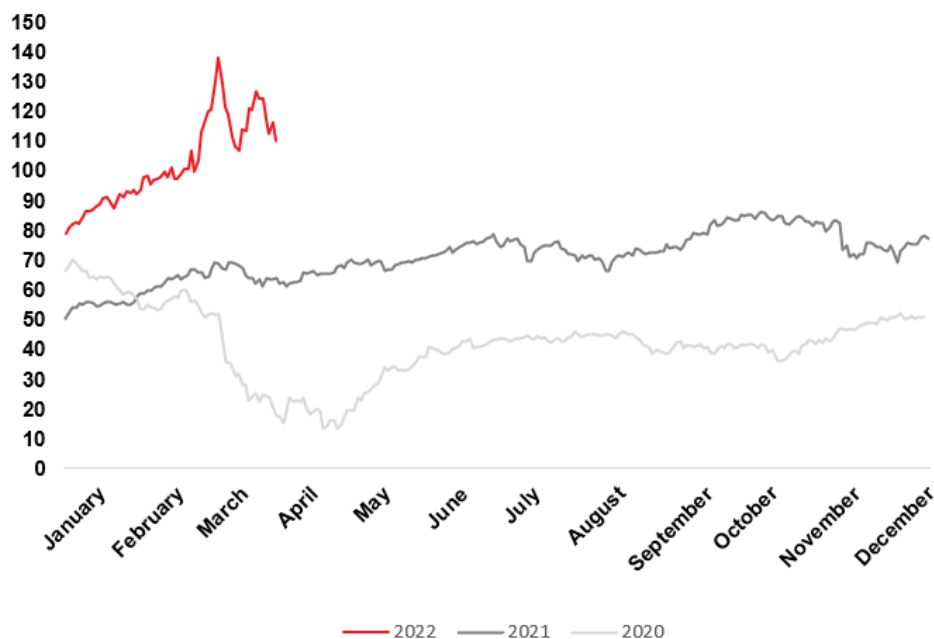
Figure 7: GDP 2021 and forecast for 2022


Source: International Monetary Fund, World Economic Outlook, IMAD, April 2022

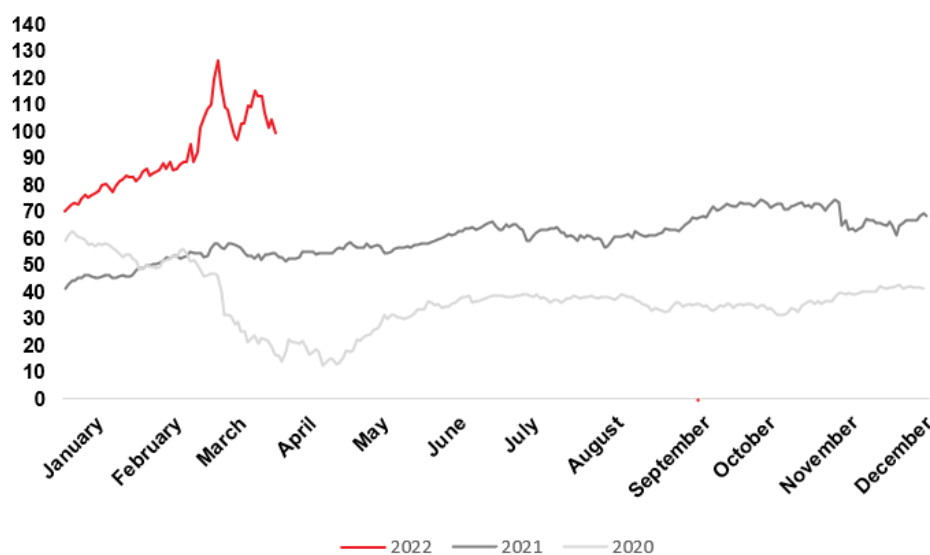
When preparing measures and putting them into practice, the Petrol Group complies fully, in all of its markets, with instructions issued by authorities. We complied with all instructions regarding the implementation of measures to curb the spread of SARS-CoV-2. Therefore, until 20 February 2022, entry to service stations was enabled solely to those who held a valid RVT certificate, which ended on 21 February 2022. We also comply with all decrees determining prices of petroleum products on all markets where we operate.

The Petrol Group's operations are also significantly affected by changes in the prices of oil and petroleum products in the world market, the method of determining the retail prices of petroleum products and changes in the US dollar to the euro exchange rate.

The average price of Brent Dated North Sea crude oil stood at USD 102.2 per barrel in the first three months of 2022 and was up by 102 percent year-on-year; the average price in euros increased by 99 percent year-on-year. In the period concerned, the price of Brent crude oil peaked on 8 March 2022, reaching USD 137.6 per barrel. Its lowest price was recorded on 4 January 2022 at USD 79.0 per barrel. The prices of petrol and middle distillates mostly followed the crude oil price trend, whereas the prices of diesel fuel occasionally grew even faster than crude oil prices.

Figure 8: Changes in Brent Dated oil price in the first three months of 2022 in USD/barrel


Source: Petrol, 2022

Figure 9: Changes in Brent Dated oil price in the first three months of 2022 in EUR/barrel


Source: Petrol, 2022

The prices of oil and petroleum products were slowly increasing this year, but after Russian invasion of Ukraine at the end of February 2022, the prices of oil and all petroleum products soared, with diesel and heating oil recording the highest increase. The recently announced release of reserves by the US did not materially curb prices, which have remained at high levels. Future oil price trends will continue to depend largely on OPEC's oil output agreements and the situation in Ukraine.

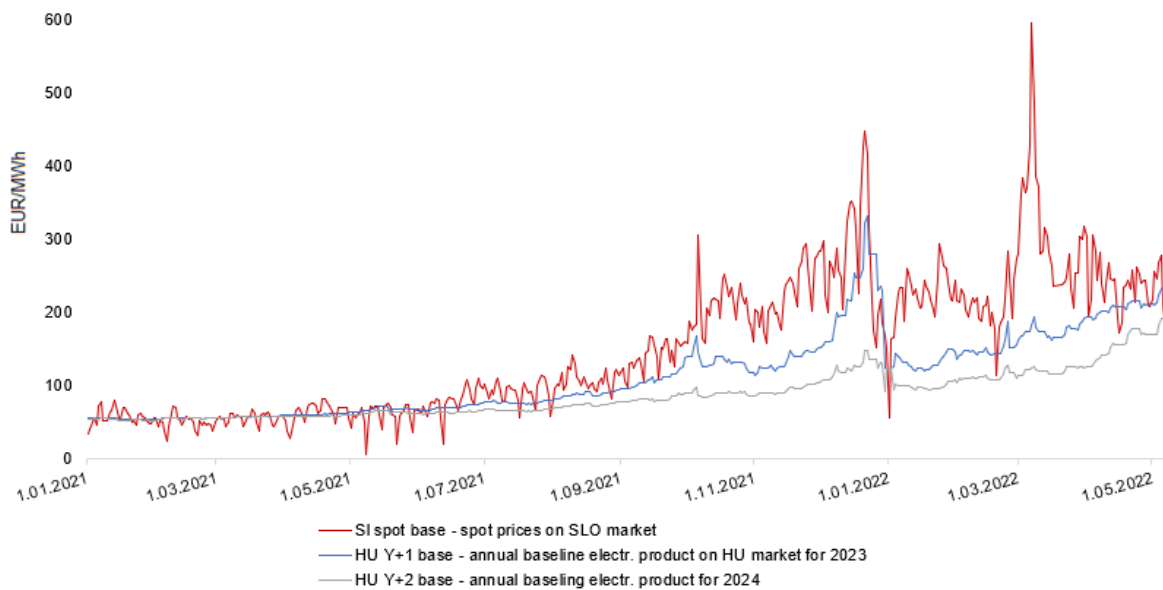
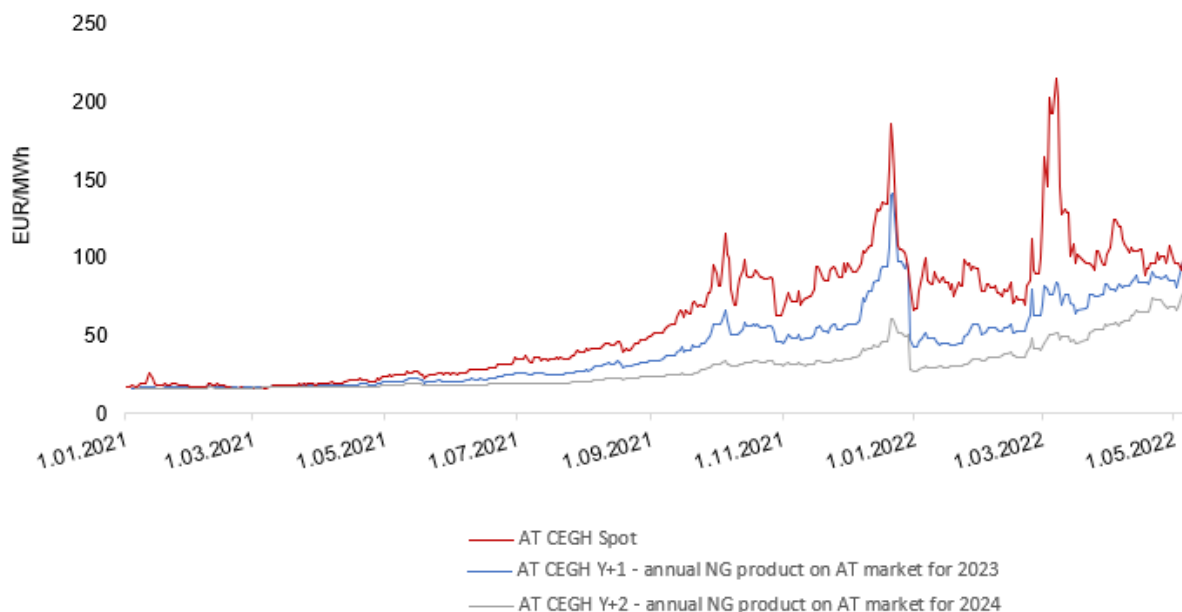
In **Slovenia**, the retail prices of NMB-95 petrol and diesel were market-determined until 14 March 2022 when the Government of the Republic of Slovenia adopted the Decree

Determining the Prices of Certain Petroleum Products to set the maximum permitted retail price of NMB-95 petrol at EUR 1.503 per litre and diesel at EUR 1.541 per litre. On 31 March 2022, the adopted Decree Determining the Prices of Certain Petroleum Products further set the maximum permitted wholesale price of NMB-95 at EUR 1.483 per litre and diesel at EUR 1.521 per litre. The Decree was in effect until 30 April 2022 for both retail and wholesale prices. In light of the high energy prices, the Government of the Republic of Slovenia adopted the Decree Determining the Prices of Petroleum Products on 20 October 2021, thereby reintroducing government regulation of extra light fuel oil prices. The maximum permitted margin was EUR 0.0600 per litre. The Decree was in force for three months and then extended by an additional three months on 20 January 2022.

In **Croatia**, the Government of the Republic of Croatia passed the Decree Setting the Highest Retail Prices for Petroleum Products (Uredba o utvrđivanju najviših maloprodajnih cijena naftnih derivata, NN 17/2022) on 7 February 2022; the maximum prices of the following fuels were determined for a period of 30 days: petrol (Eurosuper 95) at HRK 11.37 per litre (EUR 1.5/litre), diesel (Eurodiesel) at HRK 11.29 per litre (EUR 1.49/litre) and blue-dyed diesel (Eurodiesel BS plavi) at HRK 6.50 per litre (EUR 0.86 per litre). On 7 March 2022, the Government of the Republic of Croatia adopted a new Decree Setting the Highest Retail Prices for Petroleum Products (Uredba o utvrđivanju najviših maloprodajnih cijena naftnih derivata, NN 28/2022), which set a pricing model for petrol, diesel and blue-dyed diesel. The Decree also set the maximum margin which can be charged by oil traders for: petrol (Eurosuper 95) at HRK 0.75 per litre (EUR 0.099 per litre), diesel (Eurodiesel) at HRK 0.75 per litre (EUR 0.099/litre) and blue-dyed diesel at HRK 0.50 per litre (EUR 0.066 per litre). The Decree can be in force up to 90 days. Retail prices of fuel with multifunctional additives are not subject to price regulation.

In **Serbia**, the Government of the Republic of Serbia adopted the Decree on Limiting the Prices of Petroleum Products (Uredba o ograničenju višine cijena naftnih derivata), which refers to Eurodiesel and unleaded petrol; the Decree has been in force since 12 February 2022. By amending the Decree, the Government of the Republic of Serbia extended its duration until 30 April 2022. In accordance with the effective Regulation, the maximum retail price, including VAT, for Eurodiesel and unleaded petrol BMB 95 is set at the average wholesale price of fuel products in Serbia, increased by six dinars (five cents). Prior to that, the retail prices of petroleum products were determined by the market. In **Bosnia and Herzegovina**, the maximum retail margin has been set at EUR 0.128 per litre since 3 April 2021; prior to this, retail prices of petroleum products were market-determined. In **Montenegro**, the prices of petroleum products are set in accordance with the Regulation on the Method of Establishing Maximum Retail Prices of Oil Derivatives, which has been in force since March 2021. The prices change fortnightly, subject to changes on the oil market (Platts European Marketscan) and the exchange rate of the euro and the US dollar is rounded. Prior to this, the prices of petroleum products were set pursuant to the Regulation on the Method of Establishing Maximum Retail Prices, which was in force since 1 January 2011.

Electricity and natural gas prices have continued to increase, especially because of the war situation in Ukraine and the economic sanctions imposed on Russia by the EU in order to cripple Kremlin's ability to finance the war.

Figure 10: Electricity price trends in 2021, in the first three months of 2022, and projections

Figure 11: Natural gas price trends in 2021, in the first three months of 2022 and projections


The US dollar to the euro exchange rate ranged between 1.09 and 1.15 in the first three months of 2022. The average exchange rate of the US dollar according to the exchange rate of the European Central Bank stood at 1.12 US dollars per euro in the period concerned.

The Petrol Group's business performance in the first three months of 2022

In June 2021, the Petrol Group reorganised the Company and the Petrol Group with the purpose to achieve the strategic goals and position the Group in the context of a broader energy transition in line with the new vision of the Group. Reorganisation is reflected in a stronger connection of markets, regional approach and standardisation of business processes and it enables more efficient processes, the unification and optimisation of the operation of support functions, customer focus and a unified presence on the markets in subsidiaries.

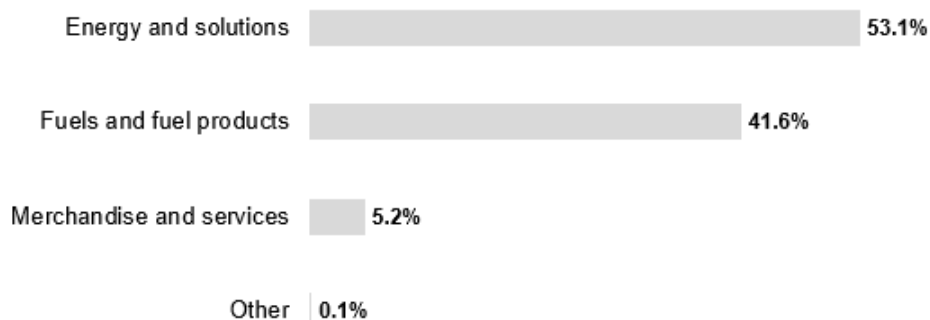
We separated the sales segment, which is focused on customers with the goal to increase the time of engagement with customers and revenue, from product management, which is focused on developing products and managing their life cycle and on providing for a high user experience and maximising product profitability in the Group.

In line with this, we have started to report operating results by the following product groups this year.

- **Fuels and fuel products**, including petroleum product sales, liquefied petroleum gas sales and other alternative energy products (compressed natural gas), transport, storage and transshipment of fuels, revenue from payment cards, and sales of biomass, tyres, inner tubes and batteries.
- **Merchandise and services**, including sales of food products, accessories, tobacco and lottery products, coupons and cards, coffee-to-go, Fresh products, automotive products and spare parts, and carwash services, sales promotion services, and other services.
- **Energy and solutions**, including electricity and natural gas sales, sales of energy solutions (systems of energy and environmental management of buildings, water supply systems, efficient lighting systems, district energy systems, water treatment, industry solutions), sales of heat systems, natural gas distribution.
- **Other**: mining services, maintenance services, vacation rentals.

We have adjusted all data for the comparative period of 2021 and the plan for 2022 to the new reporting method.

In the first three months of 2022, the Petrol Group's **sales revenue** stood at EUR 1.9 billion, a year-on-year increase of 112 percent. In January and most of February 2022, the Petrol Group operated under the influence of the measures to contain the pandemic. Until 20 February, entry to service stations was enabled solely to those who held a valid RVT certificate; this rule ended on 21 February. The prices of energy products increased steadily throughout the relevant period, but they soared at the end of February when Russia invaded Ukraine. Compared to the same period last year, the growth of revenue was affected by, in addition to increased volumes of fuels and fuel products sold, the growth of energy prices.

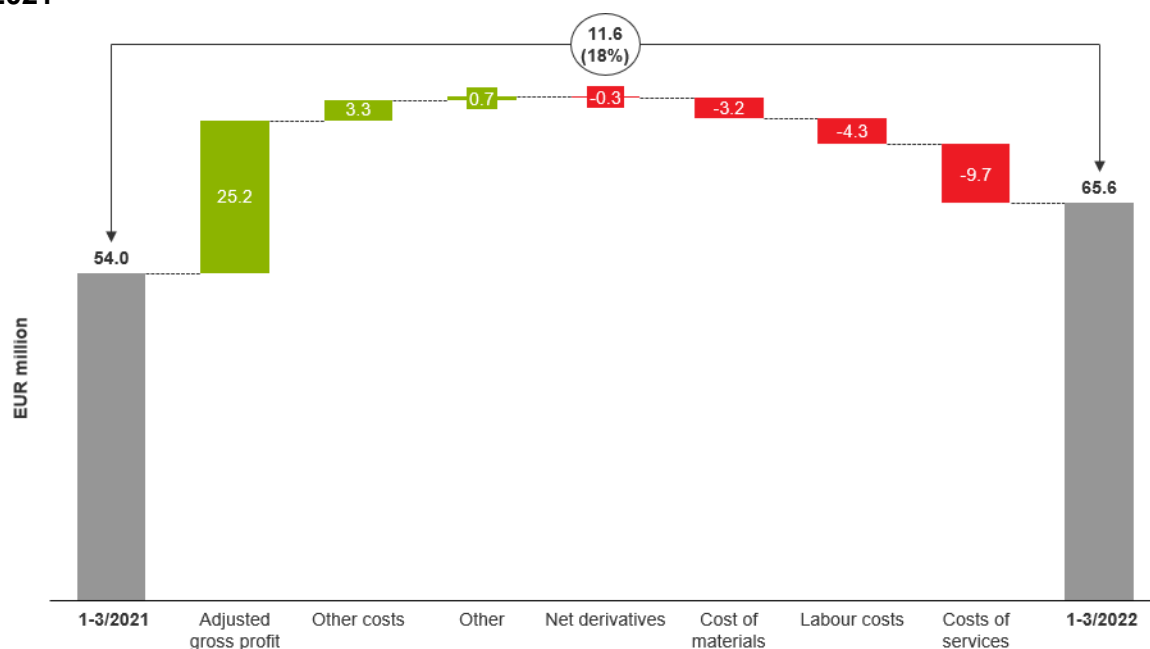
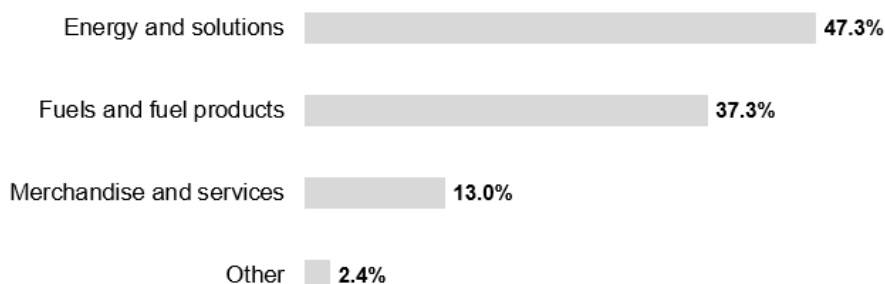
Figure 12: The Petrol Group's sales revenue by activity in the first three months of 2022


In the first three months of 2022, the Petrol Group sold 906.4 thousand tons of fuels and fuel products, a year-on-year increase of 41 percent, which was most affected by the integration of Crodux derivati dva d.o.o. into the Petrol Group. In Slovenia, high growth was recorded in retail, especially because of the fuel price regulation. Prices of fuels in Slovenia were much lower than in the neighbouring countries which resulted in a significant increase in sales at state border service stations, especially the border with Italy; sales also increased to foreign truck operators at service stations in the hinterland area.

In the first three months of 2022, we generated a revenue of EUR 101.5 million from the sales of merchandise and services, down by 21 percent year-on-year. The main reason for the drop is the Motorway Company of the Republic of Slovenia's (DARS) switch to electronic tolling system – this way we no longer have Slovenian toll stickers in stock, so we now record as revenue only the difference between the final selling price and the cost, which we are entitled to based on the contract. Compared to the same period last year, revenue from the sales of warm beverages and food products decreased, whereas sales of tobacco products increased.

In the first three months of 2022, we also sold 5.7 TWh of natural gas, 2.9 TWh of electricity, and 83.7 thousand MWh of heat.

EBITDA stood at EUR 65.6 million in the first three months of 2022, which is 21 percent more than in the first three months of 2021. The growth was mainly a result of the integration of Crodux derivati dva d.o.o. into the Petrol Group and a good result in the field of electricity trading which was used to compensate for the poorer result in electricity supply to end users. Compared to the same period last year, the results achieved in natural gas supply to end users and sales of motor fuels were lower because of the regulation of selling prices. In the current intensified situation, we continue to focus on cost management.

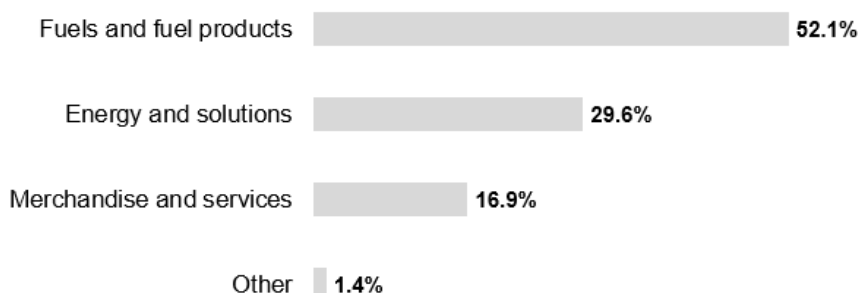
Figure 13: EBITDA in the first three months of 2022 compared to the same period of 2021

Figure 14: The Petrol Group's EBITDA by activity in the first three months of 2022


Adjusted gross profit stood at EUR 162.2 million in the period concerned, which is 18 percent more than in the first three months of 2021, largely because of the integration of Crodux derivat

In the first three months of 2022, we witnessed turbulent events on global markets. The beginning of the year was still marked by the Covid-19 pandemic and a stable economic growth connected to increasing energy prices. Until 20 February, entry to Petrol's service stations in Slovenia was enabled solely to those who held a valid RVT certificate. At the end of February, however, as the war started in Ukraine, prices of all energy products soared. Several countries responded by limiting selling prices of petroleum products. In Slovenia, the price of extra light heating oil has been regulated since 20 October 2021, and prices of NMB-95 petrol and diesel have been regulated since 15 March 2022. In Slovenia, fuel prices were quite lower than in most neighbouring countries, which on the one hand significantly boosted sales, but on the other hand, we recorded negative margins in diesel fuel and occasionally also in NMB-95 petrol. In Croatia, prices have been regulated since 7 February 2022 and in Serbia since 12 February. All of this has resulted in a lower gross profit from the sales of petroleum products

year-on-year. We gained new buyers on the Italian market who have storage facilities with the option of intra-community supplies, and we managed to increase sales to Austria. Due to the high growth of purchase prices, we achieved a lower result from the natural gas and electricity supply to end users than in the previous year. On the other hand, we achieved good results in electricity trading. Due to the low temperatures during the heating season, our sales in the segment of district heating increased year-on-year, and we also increased renewable electricity generation.

Figure 15: The Petrol Group's adjusted gross profit by activity in the first three months of 2022



Operating costs stood at EUR 115.0 million in the first three months of 2022 and were up by EUR 17.9 million or 18 percent year-on-year, of which EUR 13.7 million on account of the integration of Crodux derivati dva d.o.o. into the Petrol Group and the rest mostly on account of accrued costs, energy price increase and other services and higher sales. The share of operating costs in the adjusted gross profit for the period concerned stood at 71 percent, equal to that in the same period of 2021.

Table 2: The Petrol Group's operating costs

The Petrol Group (EUR)	1-3 2022	1-3 2021	Index 2022/2021
Cost of materials	11,039,866	7,810,829	141
Cost of services	41,937,355	32,277,274	130
Labour costs	32,299,251	27,967,847	115
Depreciation and amortisation	22,476,575	18,535,103	121
Other costs	7,289,413	10,561,863	69
Operating costs	115,042,460	97,152,916	118

In the first three months of 2022, the costs of materials totalled EUR 11.0 million, 41 percent more than in the same period of 2021, owing especially to the higher costs of energy (gas and electricity consumed – heat systems and industry solutions). Costs of consumables also increased due to both the integration of Crodux derivati dva d.o.o. into the Petrol Group and the increasing use of personal protective equipment and water.

The costs of services stood at EUR 41.9 million and were up by 30 percent year-on-year. The major year-on-year increase was recorded in the costs of transport services, by 47 percent, a half of which due to the integration of Crodux derivati dva d.o.o. into the Petrol Group and the other half because of the higher sales of fuels and fuel products on the Slovenian market.

Costs of maintenance increased largely due to the integration of Crodux derivati dva d.o.o. into the Petrol Group and because of the increased volume of facility and equipment maintenance and because of the higher costs of cleaning and snow clearing at service stations. The costs of payment transactions and banking services increased due to the higher prices of fuels compared to the same period last year and, naturally, because of the integration of Crodux derivati dva d.o.o. into the Petrol Group. Lease payments increased primarily because of the integration of Crodux derivati dva d.o.o. into the Petrol Group. The growth of the costs of professional services was affected by a larger number of students hired to check the RVT certificates at service stations in the beginning of the year and by a larger volume of advisory services. The growth of insurance services is affected by the increase in prices on the insurance market and the expansion of operations. The cost of service station managers increased because of the aforementioned hiring of students to check the RVT certificates at service stations.

Labour costs, which stood at EUR 32.3 million, increased by EUR 4.3 million or 15 percent year-on-year, of which EUR 4.1 million because of the integration of Crodux derivati dva d.o.o. into the Petrol Group. At Petrol d.d., Ljubljana, costs also grew because of the minimum wage increase.

In line with the measures taken by countries to contain the Covid-19 pandemic, the Petrol Group made use of measures relating to the reimbursement of labour costs in the total amount of EUR 13 thousand in the first three months of 2022 (compared to EUR 0.3 million in the first three months of 2021) and recorded the effects as a decrease in labour costs.

The depreciation and amortisation charge, which stood at EUR 22.5 million in the first three months of 2022, was up by EUR 3.9 million or 21 percent year-on-year, primarily because of the integration of Crodux derivati dva d.o.o. into the Petrol Group.

Other costs totalled EUR 7.3 million, a year-on-year decrease of 31 percent, especially because of lower costs of impairments.

Other revenue stood at EUR 116.0 million and was EUR 104.8 million higher than in the same period of 2021. Gain on derivatives totalled EUR 114.4 million, up by EUR 104.5 million compared to the same period of 2021. **Other expenses** stood at EUR 120.2 million, which is EUR 104.5 million more than in the same period of 2021. Loss on derivatives totalled EUR 120.0 million, an increase of EUR 104.9 million year-on-year. The Petrol Group is exposed to price and volumetric risks arising from energy operations (petroleum products, natural gas, electricity, LPG). The Petrol Group manages price and volumetric risks primarily by aiming to align purchases and sales of energy products in terms of quantities as well as purchase and sales conditions, thus securing its margin. Depending on the business model for each energy product, limits are in place that restrict exposure to price and volumetric risks. The Petrol Group uses mostly derivative financial instruments to hedge petroleum product prices. Partners in this area include global financial institutions and banks or suppliers of goods; therefore, the Petrol Group considers the counterparty default risk as minimal. The Petrol Group enters into derivative financial instruments also in connection with electricity trading, engaging financial institutions to ensure minimal counterparty default risk and taking into account the adopted market value limits. The value of financial transactions changes annually based on market price trends and needs for our portfolio hedging.

Operating profit stood at EUR 43.1 million in the first three months of 2022 and was up by 22 percent year-on-year. As already mentioned in the analysis of the adjusted gross profit, the majority of growth was recorded in the segment of electricity trading, renewable electricity generation and district heating systems, and the integration of Crodux derivati d.o.o. into the Petrol Group.

The **share of profit from equity accounted investees** stood at EUR 0.7 million and was up by EUR 0.4 million year-on-year.

Net finance expenses of the Petrol Group stood at EUR 4.0 million in the first three months of 2022, which is EUR 1.3 million more than in the same period of 2021. Net foreign exchange losses were EUR 0.9 million higher, net interest expenses EUR 1.3 million higher, and net expenses for value adjustment of operating receivables EUR 3.1 million higher year-on-year. In the period concerned, net gains on derivatives were up by EUR 4.3 million year-on-year.

Pre-tax profit for the first three months of 2022 amounted to EUR 39.9 million, up by 21 percent compared to the same period of 2021. **Net profit** for the first three months of 2022 totalled EUR 32.4 million, a year-on-year increase of 17 percent.

The Petrol Group's **total assets** stood at EUR 2.5 billion as at 31 March 2022, 5 percent more than at the end of 2021. Non-current assets totalled EUR 1.3 billion, down by 1 percent compared to the end of 2021, and current assets EUR 1.2 billion, up by 13 percent compared to the end of 2021. Current operating receivables increased by EUR 80.1 million compared to the end of 2021, especially because of the surge in energy prices.

The Petrol Group's **equity** stood at EUR 948.0 million as at 31 March 2022, an increase of 4 percent compared to the end of 2021. **Net debt** totalled EUR 561.0 million, which is EUR 54.7 million more than at the end of 2021. The annualised **net debt-to-EBITDA ratio** stood at 1.9 compared to 2.1 at the end of 2021.

Due to the high prices of energy products, the Petrol Group's **working capital** amounted to EUR 177.2 million as at 31 March 2022, an increase of EUR 50.6 million compared to the end of 2021 when it stood at EUR 126.6 million, the main reason being high energy prices.

Having responded quickly to changed market conditions, both by adjusting and diversifying its product range and streamlining and optimising costs, the Petrol Group managed to mitigate the negative impact of the pandemic on its operations already in 2020 and 2021. The efforts and activities aimed at optimising costs and streamlining business operations had a positive impact also on the business results for the first three months of 2022 where we have been facing the most turbulent events in global economic and energy markets in the last years. The Petrol Group will continue to keep a close eye on the behaviour of its customers, all the while adapting its range of products and services to the market situation.

Below is a detailed presentation of the Petrol Group's operations in the first three months of 2022 broken down by **product groups**:

- A. **Fuels and fuel products**, including petroleum product sales, liquefied petroleum gas sales, sales of other alternative energy products (compressed natural gas), transport, storage and transshipment of fuels, revenue from payment cards, and sales of biomass, tyres and batteries.

- B. **Merchandise and services**, including sales of food products, accessories, tobacco and lottery products, coupons and cards, coffee-to-go, Fresh products, automotive products and spare parts, and carwash services, sales promotion services, and other services.
- C. **Energy and solutions**, including electricity and natural gas sales, sales of energy solutions (systems of energy and environmental management of buildings, water supply systems, efficient lighting systems, district energy systems, water treatment, industry solutions), sales of heat systems, natural gas distribution systems, mobility, and energy generation.

A. FUELS AND FUEL PRODUCTS

In the first three months of 2022, the Petrol Group generated a revenue of EUR 805.6 million with the Fuels and Fuel Products product group.

In the first three months of 2022, the Petrol Group sold 906.4 thousand tons of fuels and fuel products, a year-on-year increase of 41 percent (18 percentage points resulting from the integration of Crodux derivati dva d.o.o. into the Petrol Group).

In **Slovenia**, we sold 389.9 tons of fuels and fuel products in the first three months of 2022, an increase of 23 percent year-on-year. Good sales results were achieved in the sales of motor fuel as well as heating oil and liquefied petroleum gas.

In **SEE markets**, 335.6 thousand tons of fuels and fuel products were sold in the first three months of 2022, up by 68 percent year-on-year, especially because of the integration of Crodux derivati dva d.o.o. into the Petrol Group.

In **EU markets**, we sold 180.9 thousand tons of fuels and fuel products in the first three months of 2022, which is 45 percent more than in the same period of 2021, especially because of new motor fuel buyers in Italy who have storage facilities with the option of intra-community supplies and because of increased sales of diesel to the Austrian market resulting from the shortage of supply from the competitive Italian source.

By integrating Crodux derivati dva d.o.o. into the Petrol Group, the share of sales in the sales structure of fuels and fuel products in Slovenia decreased, whereas the share of sales to SEE markets increased (1-3 2022: Slovenia 43 percent, SEE markets 37 percent and EU markets 20 percent; 1-3 2021: Slovenia 49 percent, SEE markets 31 percent and EU markets 19 percent).

Of 906.4 thousand tons of fuels and fuel products, 44 percent was sold in retail and 56 in wholesale. Retail sale increased by 43 percent; this year, the growth was affected primarily by fuel price regulation in Slovenia. Prices of fuels were much lower than in the neighbouring countries which resulted in a significant increase in sales at state border service stations, especially the border with Italy; sales also increased to foreign truck operators at service stations in the hinterland area. The integration of Crodux derivati dva d.o.o. into the Petrol Group also contributed significantly. Wholesale increased by 40 percent, especially on account of the integration of Crodux derivati dva d.o.o. into the Petrol Group, increased sales to EU markets and the growth of wholesale in Slovenia and SEE markets.

At the end of March 2022, the Petrol Group's retail network consisted of 593 service stations, of which 318 in Slovenia, 202 in Croatia, 42 in Bosnia and Herzegovina, 16 in Serbia and 15 in Montenegro.

At the end of March 2022, the Petrol Group managed 5 concessions for liquefied petroleum gas supply in Slovenia. Furthermore, Petrol d.o.o. has two contracts concluded for liquefied petroleum gas supply in Šibenik and Rijeka. We also supply liquefied petroleum gas to buyers via gas storage tanks and with autogas at service stations.

B. MERCHANDISE AND SERVICES

In the first three months of 2022, the Petrol Group generated a revenue of EUR 101.5 million from the sales of merchandise and services.

In **Slovenia**, a revenue of EUR 73.4 million was generated from the sale of merchandise and services in the first three months of 2022. The drop in revenue from the sale of merchandise and services was mostly affected by the Motorway Company of the Republic of Slovenia's (DARS) switch to electronic tolling system – this way we no longer have Slovenian toll stickers in stock, so we now record as revenue only the difference between the final selling price and the cost, which we are entitled to based on the contract. We have, however, recorded a drop in sales of food products and warm beverages, which were extremely high in the first quarter of 2021 because of the restrictive measures in other activities. We recorded good results especially from sales of tobacco products. The range of merchandise sold at Petrol's points of sale is quickly adjusted to meet the needs of our service station customers.

In **SEE markets**, we generated EUR 28.1 million in revenue from the sales of merchandise and services in the first three months of 2022, an increase of 59 percent year-on-year, especially because of the integration of Crodux derivati d.o.o. into the Petrol Group. Other companies on SEE markets achieved good results especially from sales of tobacco products, whereas lower results were generated, especially in Croatia (excluding the effect of the integration of Crodux derivati d.o.o. into the Petrol Group), from sales of warm beverages and food products.

C. ENERGY AND SOLUTIONS

In the first three months of 2022, the Petrol Group generated EUR 1,027.5 million in sales revenue in the Energy and Solutions segment.

The Energy and Solutions segment includes products and services offered in the following fields:

- Energy solutions (systems of energy and environmental management of buildings, water systems, efficient lighting systems, district energy, water treatment, industry solutions),
- Heat systems,
- Natural gas distribution,
- Energy products (electricity sales and trading, natural gas sales and trading),
- Mobility, and
- Electricity generation.

Energy solutions

Energy renovation of buildings

We help public partners (municipalities, ministries, etc.) achieve a more efficient and environmentally friendly energy profile of buildings through performance contracting – public-private partnerships. Our solutions ensure the optimal use of energy from renewable sources

in all types of buildings, while meeting the relevant user standards. We find an optimal investment solution for energy renovation and take care of the whole energy renovation process. After the renovation, we manage buildings throughout the contract period, thereby generating savings.

Efficient public lighting

We are replacing old energy-wasting lights with modern LED luminaires, which direct light where it is needed; this can reduce energy consumption by up to 80 percent. Through this comprehensive approach, we improve the quality of maintenance, general and traffic safety, as well as the service life of public lighting. At the same time, we reduce energy, maintenance and operational costs and, most importantly, light pollution.

Optimisation of drinking water supply systems

We strive to ensure the quality of water resources in cities, as well as diligent and efficient water management. We provide our public partners with comprehensive support in improving the efficiency of the water supply system and help identify water losses and advise on measures to reduce these. This provides operators with greater reliability, improves their efficiency and reduces risks.

Optimisation of district heating systems

In the field of district heating and cooling, we offer a comprehensive solution for optimising district heating systems, which enables generating significant savings and developing a district heating system as part of the smart city infrastructure. By utilising optimal solutions, we manage the entire district heating process: heat generation, distribution and consumption or only a part of the process, as well as ensure significant savings and a more efficient service.

Wastewater treatment

Ensuring safe and reliable water supply is one of the key challenges of the 21st century; therefore, the quality of water resources is of the utmost importance. We build and operate industrial and municipal wastewater treatment plants for our public partners (communities) and manage concessions for performing the public utility service of treating municipal wastewater.

Industry solutions

In the field of industry solutions, we operate two closed economic areas situated in Ravne and Štore, a virtual power plant included in the tertiary power supply and a boiler room in Trebnje.

In addition to managing solutions in the fields of steam and heat, natural gas, technical gases and compressed air, water, waste heat, cooling systems and industrial treatment plants, and a virtual power plant, we pay special attention to preparing and ensuring comprehensive energy solutions for all consumers in the relevant fields.

Heat systems

District heat supply consists of heat systems where heat is produced in one or more boiler rooms and distributed to end customers via a hot-water network. Heat distribution systems are now considered to be one of the most reliable and, in terms of the environment and costs, acceptable systems for supplying heat to end customers. Buildings supplied via a district heating system do not require their own heating source, with the system itself providing the following supply advantages:

- higher energy efficiency,
- friendlier to the environment,
- straightforward operation and maintenance, reliability, comfort, and convenience,
- lower cost of investment,
- lower costs of operation and maintenance.

In the first three months of 2022, the Petrol Group sold 83.7 thousand MWh of heat, a year-on-year increase of 22 percent.

Natural gas distribution

At the end of March 2022, the Petrol Group operated 31 natural gas supply concessions in Slovenia. In Serbia, the Group supplies natural gas to the municipalities of Bačka Topola and Pećinci and three municipalities in Belgrade. At the end of 2018, the Petrol Group established itself in Croatia where its company, Zagorski metalac d.o.o., distributes natural gas in certain municipalities of the Zagorje-Krapina County and the Zagreb County.

In the first three months of 2022, the Petrol Group distributed 545.6 thousand MWh of natural gas, a year-on-year increase of 2 percent.

Energy products

Natural gas sales and trading

At the end of March 2022, the Petrol Group had 52 thousand natural gas consumers (excluding consumers of the Geoplin Group). In the first three months of 2022, sales of natural gas to end users stood at 3.6 TWh, a year-on-year decrease of 65 percent as a result of a lower volume of sales on foreign markets (a one-off transaction abroad in the same period of last year, a part of sales that is usually realised in January was implemented already in December 2021). The volumes sold in trading stood at 2.0 TWh in the first three months of 2022.

Electricity sales and trading

The Petrol Group has positioned itself as an important electricity market player. It set up a complete infrastructure for wholesale electricity trading in Slovenia, EU countries and SE Europe countries. Electricity sales to end users (businesses and households) already in place

in Slovenia are now being expanded to SE Europe. At the end of March 2022, the Petrol Group had 221 thousand electricity customers.

Sales to end customers stood at 0.9 TWh in the first three months of 2022, a year-on-year decrease of 3 percent. In the first three months of 2022, the volumes sold in trading stood at 2.1 TWh.

Given the current situation on the electricity market, our result in electricity supply to end users is below that from the comparable period of last year. The lower result was balanced with better results in the field of electricity trading.

Mobility

- E-mobility – setting up, managing and maintaining EV-charging infrastructure, and providing for the charging service.
- Mobility services – “vehicle as a service”, fleet management, short-term leasing and door-to-door services run by the subsidiary Atet d.o.o.

In the context of **e-mobility**, we carry out services linked to the setting up, management and maintenance of infrastructure for the charging of electric vehicles as well as services linked to the performance and billing of the charging service, and customer care. These services and solutions are also offered to companies and municipalities.

In the first three months of 2022, the Petrol Group managed 244 regular charging stations (maximum capacity of 22 kW), 70 fast charging stations (maximum capacity of 100 kW) and 9 ultra-fast charging stations (maximum capacity of 350 kW).

In 2022, we have continued our work on all three international projects for which we received EU grants and established partnerships in order to co-finance charging point deployment at motorway service stations and in city centres in Slovenia and Croatia. We applied for the national Energy Award 2022 competition with our battery storage solution in connection with 1 fast and 2 ultra-fast chargers at Petrol's Kozina point of sale, which is part of the **NEXT-E project**, and won in the category Energy Efficiency in Transport and Logistics 2022.

We have recorded great progress in the **URBAN-E project**; in the first three months of this year, we signed the contract with SŽ-Potniški promet for an intermodal microlocation in front of the Ljubljana Central Railway Station where we plan to deploy a charging hub with 2 regular and 2 fast charging stations (and three additional AC charging stations in the context of the MULTI-E project); additionally, we deployed 2 fast charging stations at two Petrol's points of sale in Ljubljana and 12 regular and 2 fast chargers intended for public use in Zagreb. As part of the **MULTI-E project**, we deployed 2 regular charging stations for public use in Ljubljana and 2 regular charging stations for public use in Rijeka in the first three months of 2022. We continue to discuss acquisitions of new locations with our strategic partners.

We continue to drive successful sales projects; at the end of March, we closed a major sales **project “BMW – BTC”** in which we ensured delivery, installation and activation of 16 chargers in front of the Crystal Palace business centre at BTC Ljubljana. We will additionally deploy 4 chargers in front of the BTC administration building.

We also set up strategic partnership with ALD where Petrol will provide for a comprehensive charging infrastructure solution for ALD's business clients.

At the end of March 2022, Petrol's charging stations had more than 10,400 users.

Thanks to the growth of electric vehicles and increased visits, we have recorded in the first three months of this year a positive trend and volumes equal to those in the summer months of 2021. We also enable our users to charge their vehicles at our partners, preferably those with whom we cooperate in the NEXT-E project; at the moment, the network abroad covers more than 2,500 charging points in Austria, Germany, Romania, Croatia, Poland, Slovakia, and the Czech Republic.

In Croatia, we have continued activating roaming on Petrol's infrastructure. We have arranged the general terms and conditions of cooperation and had the standard contract confirmed by Petrol d.o.o. to announce the offer to foreign partners on the Hubej platform.

In the area of **mobility services**, we are developing services related to new concepts and types of mobility. We offer the **vehicle fleet management** service through Atet with the aim to assist companies, municipalities and other organisations in managing and optimising their vehicle fleets in terms of cost and functionality, at the same time ensuring them uninterrupted mobility. In addition, our goal is to establish partnerships with companies and municipalities in the green transition and achievement of their sustainability objectives through fleet electrification.

At the end of the first quarter of 2022, we operated a total of 1,774 vehicles; of this, the 415 vehicles were included in the management and optimisation service, 1,027 vehicles were used for the door-to-door service, 146 vehicles were used for long-term rentals, and 186 vehicles for short-term rentals.

We prepare various mobility and electricity service packages to tailor our offer to the needs of end users even better. We are currently in the process of selecting and testing solutions to provide digital support to vehicle fleet management.

For Petrol's presence as a leading company in the field of e-mobility and mobility services it is also of particular importance to build a reputation of a sustainability-oriented company focused on reducing its carbon footprint. For a company with a background mainly in petroleum product sales, this is a significant and important challenge.

Electricity generation

Rapid development of the global energy system is fuelled by growing energy needs as well as by environmental requirements linked to climate change. Recognising this, we also produce electricity from renewable sources – wind, water, and sun.

As a key element in the future development of the Petrol Group, renewable electricity generation has a special strategic place in Petrol's decision to become a modern energy company. It helps us secure own long-term sources for the purpose of selling electricity, while keeping us prepared for new trends in the area of transport. At Petrol, we see enormous

potential for the development of renewable electricity generation in SE Europe. By developing our own production capacities, we pursue the strategic orientation of becoming a recognised regional provider of comprehensive energy and environmental solutions, and a partner in the development of the circular economy for the transition to a low-carbon society.

The Petrol Group has been present in electricity generation since 2003. In Bosnia and Herzegovina, we produce hydroelectric power in five small hydropower plants. In the Republic of Serbia, we completed an investment, and launched and obtained an operating permit for the 1 MW Grajiči small hydropower plant in cooperation with a business partner.

We operate two wind power plants in Croatia – Glunča WPP and Ljubač WPP; following technical inspection, we obtained the operating permit for the latter. Additionally, we signed contracts for the construction of the Suknovci, Pliskovo and Vrbnik solar power plants in Croatia, with the total installed capacity of 22 MW.

In the first three months of 2022, the Petrol Group generated 56.2 thousand MWh of electricity, a year-on-year increase of 83 percent, especially due to the new Ljubač wind power plant.

Sustainable development

We are faced with great challenges in today's rapidly changing environment. We are aware of all changes – climate, geostrategic, political, demographic, technological, value, and behavioural. We are optimising a complex systemic transition to a low-carbon company in partnership with our employees and the social environment, and thinking about the shifts that yet need to be made in our awareness and perception to be able to make the right decisions and take concrete action to ensure decent living in the future.

In 2021, we prepared the Report on Sustainability Activities and Investments for Petrol d.d., Ljubljana pursuant to the Taxonomy Regulation. In 2021, revenue from taxonomy-eligible activities accounted for 1.98 percent of total revenue in Petrol d.d., Ljubljana, of which the majority in energy, including transmission and distribution networks for renewable and low-carbon gases – natural gas concessions, bioenergy heat/cold generation – wood biomass, electricity transmission and distribution, district heating/cooling distribution, cogeneration of heat/cold and electricity from bioenergy, heat/cold generation using waste heat, photovoltaic energy production and heat/cold generation from geothermal energy. Investments in fixed assets from taxonomy-eligible activities amounted to EUR 14,706,557, accounting for 57.3 percent of total gross investments in fixed assets, excluding M&A projects, which points to a strong commitment towards energy transition, and revenue must be in line with this.

We have developed and integrated an IT-supported energy and environmental accounting for capturing and monitoring quantitative data on own energy and water use. Data on own use of energy enable calculating scope 1 and 2 carbon footprint for Petrol d.d., Ljubljana. The system is also a tool for efficient energy management and water saving.

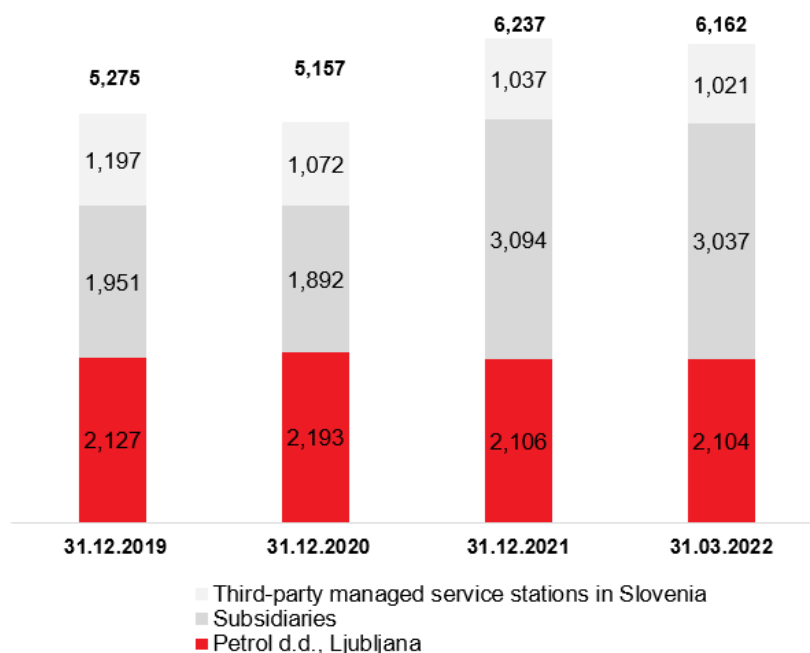
Our energy and environment team has set up an environment protection protocol, which defines a system of administrators for individual direct and indirect environmental impacts made by Petrol d.d., Ljubljana with its activities. The goal is to manage and mitigate environmental impacts and costs through systematic monitoring and evaluation of quality and

up-to-date data, efficient performance of processes, clearly defined roles, responsibilities and powers, adequate competences, and efficient information flow in the entire value chain.

Employees

On 31 March 2022, the Petrol Group had 6,162 employees, of which 47 percent worked for subsidiaries abroad. The number of employees at the Petrol Group decreased by 75 compared to the end of 2021. At Petrol d.d., Ljubljana and third-party managed service stations, the number of employees dropped by 18 and in subsidiaries by 57.

Figure 16: Changes in the number of employees of the Petrol Group and at third-party managed service stations in the period 2019–2022



Training

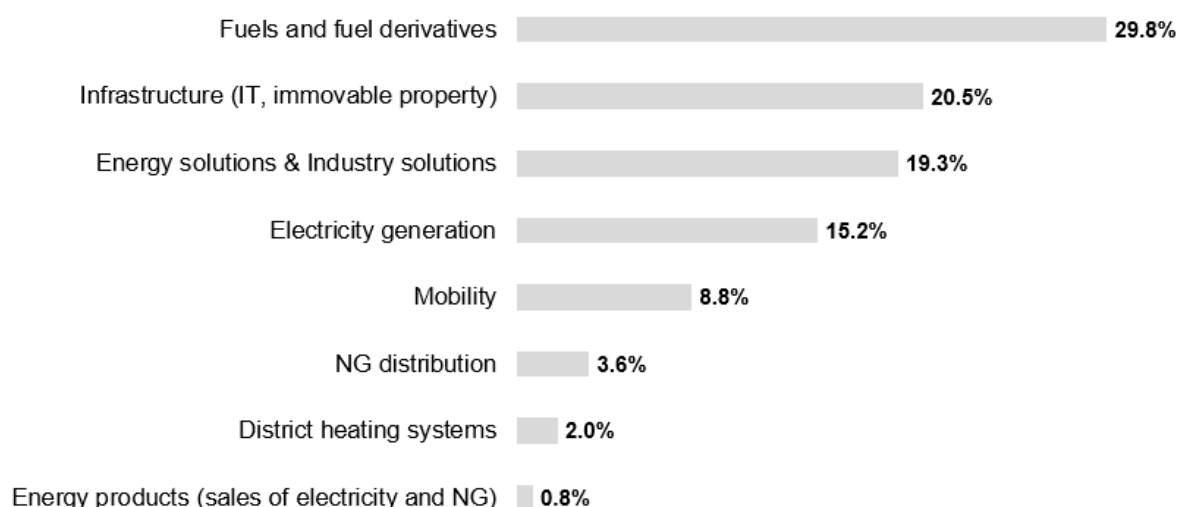
In the first three months of 2022, the Petrol Group provided more than 13 thousand teaching hours of training (more than 3.7 thousand attendances).

The Petrol Group has an internal training system in place to provide training to all employees in a systematic and comprehensive manner. We organised various workshops and events in relation to the Company's strategy and the presentation of segments and projects. Our employees attend events and trainings in the fields of sustainable development, health and skills and they can also opt for various language courses. In the period concerned, we organised e-courses such as Corporate Integrity and How We Communicate at Petrol for our new employees, and Evacuation of Tall Buildings for all employees in our Ljubljana business building. In Retail segment, we organised an in-house training Business Tools to Facilitate Point of Sale Management for managers and training to get to know the work at our Fresh cafes for our managers. Our new employees at points of sale attended the e-course How to Sell at Points of Sale 2022. We also enabled students who work at points of sale to attend two e-courses, Card Transaction Safety and Occupational Safety and Health and Fire Safety.

Investments

In the first three months of 2022, we earmarked a net amount of EUR 8.2 million for investments in property, plant and equipment, intangible assets and long-term investments, of which 29.8 percent for sales of fuels and fuel products, 20.5 percent for infrastructure (IT, immovable property), 19.3 percent for energy and industry solutions in the public and commercial sectors, 15.2 percent for renewable electricity generation, 8.8 percent for mobility activities, 3.6 percent for natural gas distribution, 2.0 percent for district heating systems, and 0.8 percent for energy products. In the first three months of 2022, 49.7 percent of investments were earmarked for the energy transition.

Figure 17: Breakdown of the Petrol Group's investments in the first three months of 2022



The quality management system

We continuously upgrade and expand the quality systems. At Petrol, we have certified systems of quality management (ISO 9001), environmental management (ISO 14001) and energy management (ISO 50001). In addition to the certified systems, the Company's comprehensive quality management system incorporates the requirements of the HACCP food safety management system, the occupational health and safety system according to ISO 45001, and the IT security system in line with SIST ISO 27001.

Regular activities related to the maintenance of the quality management systems have been in place in 2022.

At the end of 2021, a recertification audit of the energy management system was implemented at Petrol d.d., Ljubljana. The energy management system was tailored to the requirements of the new ISO 50001:2018. We received the ISO 50001:2018 certificate in January 2022, which is valid until January 2025.

At Petrol d.o.o., Beograd, the second ISO 9001, ISO 14001 and ISO 45001 surveillance audit was carried out in January 2022 in respect of the Industrial Equipment Sale, Engineering and Project Management process. The validity of the certificates was preserved.

At Beogas d.o.o., a surveillance audit of the ISO 9001:2015 quality management system took place in March 2022. The validity of the certificate was preserved.

At Petrol d.d., Ljubljana, a report was prepared to extend the Responsible Care Certificate (POR), which is now valid until January 2023.

Table 3: Overview of certificates and laboratory accreditations

Company	Quality management system	Environmental management system	Energy management system	Laboratory accreditations	Other certificates
Petrol d.d., Ljubljana	ISO 9001:2015	ISO 14001:2015	ISO 50001:2018	SIST EN ISO/IEC 17025:2017, SIST EN ISO/IEC 17020:2012	ISCC, AEO***, RC,* FSC**
Petrol d.o.o.	ISO 9001:2015	ISO 14001:2015	/	/	/
Petrol Geo d.o.o.	ISO 9001:2015	/	/	/	/
Beogas d.o.o.	ISO 9001:2015	/	/	/	/
Petrol d.o.o. Beograd	ISO 9001:2015	ISO 14001:2015	/	/	ISO 45001

* Based on the Report on the implementation of the Responsible Care Global Charter commitments, Petrol d.d., Ljubljana became a holder of a Responsible Care Certificate for its activities relating to storage, logistics and retail network of service stations in Slovenia and granted the right to use the initiative's logo.

** Petrol d.d., Ljubljana is a holder of an FSC certificate for the production of wood chips used for heat generation. The FSC certificate, which is issued by an international NGO called the Forest Stewardship Council, promotes environmentally appropriate, socially beneficial and economically viable management of forests.

*** The AEO certificate is issued by the Customs Administration of the Republic of Slovenia which also carries out control and inspects AEO certificate holders. The certificate allows for easier admittance to customs simplifications, fewer physical and document-based controls, priority treatment in case of control, a possibility to request a specific place for such controls and a possibility of prior notification. To obtain an AEO certificate, several conditions and criteria need to be met: compliance with security and safety standards, appropriate records to demonstrate compliance with customs requirements, a reliable system of keeping commercial and transport records for control purposes, and proof of financial solvency.

Social responsibility

Care for social and environmental issues has been part of the Petrol's operations for a number of years. We address demands and challenges of our time based on a long-term growth strategy and a strong awareness that supporting the environment in which we operate significantly affects our operations and development. For many years we have been helping wider social and local communities achieve a dynamic lifestyle and better quality of life. Our responsible social attitude is demonstrated through the support we provide to a number of sports, arts, humanitarian and environmental projects. In the Petrol Group, social responsibility is perceived as a lasting commitment to working together with the environment in which we operate.

Risk management

The Petrol Group manages risks using a comprehensive risk management system to ensure that the key risks the Company is exposed to are identified, assessed, managed, utilised, and monitored. In doing that, we aim to develop a risk-awareness culture to ensure better control over the risks and better information for decision-making at all levels of the Group's operations. Risk management concerns each Petrol Group employee who is, as a result of their decisions

and actions, exposed to risks on a daily basis while carrying out their work assignments and responsibilities.

In its 2021–2025 strategy, the Petrol Group has tailored its business objectives according to its risk management policies and risk appetite.

In the first three months of the year, all of the activities adopted in 2020 to manage risks arising from the Covid-19 pandemic and mitigate the negative effects arising therefrom were continued.

We continued to implement measures taken to provide for the safety and health of employees and customers as well as to ensure an uninterrupted supply to businesses. Additional attention was still given to credit risk management as an increased risk of defaults by our customers is still expected at the Petrol Group level.

A detailed report on the impact of the Covid-19 pandemic on the Petrol Group's operations and risk management is presented in section "The Petrol Group's operations in the first three months of 2022".

In the first three months of 2022, we witnessed an extreme surge in the prices of all energy products and closely monitored the Russo-Ukrainian situation which further affected the prices and, consequently, the operations of the Petrol Group. Moreover, the Government of the Republic of Slovenia adopted the Decree Determining the Prices of Certain Petroleum Products on 14 March 2022, setting the maximum retail price of petroleum products for 30 days. On 31 March 2022, the adopted Decree Determining the Prices of Certain Petroleum Products also set the maximum permitted wholesale price of NMB-95 petrol and diesel. The Decree was in effect until 30 April 2022 inclusive for both the retail and wholesale prices.

At Petrol d.d., Ljubljana, we keep a close eye on events in the business environment and will take the necessary measures to protect the interests of the Company in the future.

Petrol's risk model comprises 20 risk categories divided into two groups:

- Environment risks, and
- Performance risks.

Risks at the Petrol Group were reassessed in 2021. Based on the new results, the most relevant and probable are the following financial risks: credit risk, price and volumetric risk, and foreign exchange risk.

In addition to the main financial risks, the most relevant and probable risks include economic environment risks, business decision-making risks, financial environment risks, process risks, strategic decision-making risks, IT system risks, interest rate risks, legislation and regulation risks, security and protection risks, and information risks.

In 2021, risk assessment scores were higher compared to the previous assessment.

Price and volumetric risk and foreign exchange risk

The Petrol Group's business model includes energy products, such as petroleum products, natural gas, electricity, and liquefied petroleum gas, exposing the Group to price risks, volumetric risks, and foreign exchange risks arising from the purchase and sale of such products.

The Petrol Group purchases petroleum products under international market conditions, pays for them mostly in US dollars and sells them in local currencies (mostly in EUR). As a result, the Group is exposed to both the price risk – changes in the prices of petroleum products – and the foreign exchange risk – changes in the EUR/USD exchange rate – while pursuing its core line of business. The Petrol Group manages volumetric and price risks to the largest extent possible by matching suppliers' terms of procurement with the terms of sale applying to customers. Any remaining open price or foreign exchange positions are closed through the use of derivatives, in particular commodity swaps in the case of price risks and forward contracts in the case of foreign exchange risks. The war in Ukraine has resulted in uncertainty and challenges in deliveries of petroleum products. A crisis team was appointed to regularly address these challenges. Despite the intensified situation, the uninterrupted supply of petroleum products was ensured and no major challenges are expected in the coming months in this field, except if additional sanctions are adopted as these could affect the purchase flows of commodities, especially those related to the origin of commodities in middle distillates (diesel and extra light heating oil).

Electricity operations expose the Group to price and volumetric risks. In the first three months of 2022, the price of electricity, based on the Hungarian power futures in 2023, gradually increased, since the beginning of 2022 by approximately 50 percent. The main reason for the high growth of electricity prices is a steep growth of natural gas prices as result of the closure of nuclear power plants in Germany and war in Ukraine. Such high rise in energy prices leads to substantially higher price risks, which the Group manages with an assortment of limit systems defined depending on the business partner, value at risk, and volumetric exposure, and with appropriate processes in place to monitor and control these risks. The Group also regularly monitors the adequacy of the limit systems used, and updates them when necessary.

In addition to the risks arising from changes in the EUR/USD exchange rate, the Petrol Group is also exposed, to some degree, to the risk of changes in other currencies, which is linked to doing business in the region. The Petrol Group monitors open foreign exchange positions and decides how to manage them on a quarter-yearly basis.

Credit risk

The credit risk was assessed in 2021 as the most relevant financial risk, also as a result of the Covid-19 pandemic. The Petrol Group was exposed to credit risk in connection with the sale of goods and services to natural and legal entities. The risk is managed using the measures outlined below.

The operating receivables management system provides us with an efficient credit risk management.

As part of the usual receivable management processes, we constantly and actively pursue the collection of receivables, a process which has been even more intense since the Covid-19 pandemic onset due to the exceptional economic situation. We refine procedures for approving the amount of exposure (limits) to individual buyers and, in the current difficult time, try to maintain the range of first-class credit insurance instruments as a requirement to approve sales (receivables insurance with credit insurance companies, bank guarantees, collaterals, corporate guarantees, securities, pledges), which proved to be a big challenge last year. At the beginning of 2020, the Petrol Group introduced a new insurance scheme for keeping track of the Group's needs in the field of credit risk insurance as market conditions evolve. A great deal of work is put into the management of receivables from all customers in Slovenia, and significant attention is also devoted to the collection of receivables in SE Europe markets, where the solvency and payment discipline of the business sector differs from that in Slovenia. Receivables are systematically monitored by portfolio, region and organisational unit as well as by credit risk assessment, level of insurance and individual customer. In addition, we introduced centralised control over credit insurance instruments received and centralised the collection process.

Due to the pandemic and related economic downturn, companies were faced with liquidity shocks leading to our customers being exposed to a higher credit risk; furthermore, high prices of energy products in recent months have been an additional challenge. In the first three months of 2022, the Petrol Group continued to monitor closely the indicators of increased risk and engaged in intensive communication with its customers. At the operational level, all Petrol Group companies still closely monitor the balance of receivables on a daily basis and actively work with customers when it comes to collecting them.

Despite the above measures, the Petrol Group cannot fully avoid the consequences of bankruptcies, compulsory composition proceedings and personal bankruptcies.

We estimate that the Petrol Group has satisfactorily managed credit risk. Our estimate is based on the type of products that we sell, the market share, a large customer base, a high number of security instruments, a high volume of secured receivables, and a low level of overdue receivables. 65 percent of receivables from legal entities are secured, with credit insurance and offsetting against trade liabilities being most widely used insurance instruments, together accounting for 93 percent.

Liquidity risk

The Petrol Group's stability is affirmed by the long-term BBB- credit rating with a stable outlook, which was confirmed by Standard & Poor's in April 2021. The investment-grade rating enables us to tap international financial markets more easily and represents an additional commitment towards successful operations and the deleveraging of the Petrol Group. Liquidity risks are managed in accordance with relevant S&P methodology.

In the first three months of 2022, average petroleum product prices were higher year-on-year, meaning that slightly more working capital is needed. Despite the constant growth of energy prices, the Petrol Group's liquidity situation has remained stable, both at the Group level and the level of subsidiaries. Through appropriate structure and volume of long-term and short-term credit lines, we have been able to ensure continued liquidity of the Petrol Group. Even if

the economic situation deteriorates, the current volume of credit lines will help us to ensure appropriate liquidity structure of the Petrol Group in accordance with S&P criteria.

Due to the geopolitical risks related to the escalation of the Russo-Ukrainian conflict, soaring inflation, consequences of the COVID-19 pandemic, and Decree Determining the Prices of Certain Petroleum Products, adopted in the first half of March, the Company continues to carry out intensified activities and paying closer attention and prudence to cash flow management of the Petrol Group, especially as regards the planning of cash inflows from layaway sales, this being the main source of liquidity and, consequently, credit risks. We still pay close attention to the internal liquidity management in the Petrol Group companies and the full integration of Crodux derivati dva d.o.o., which we acquired in the last quarter of 2021.

The Petrol Group settles all liabilities as they fall due, thanks to its relatively low debt levels and strong liquidity position.

Interest rate risk

The Petrol Group regularly monitors its exposure to the interest rate risk. 82 percent of the Group's non-current financial liabilities have a variable interest rate linked to EURIBOR. The average EURIBOR rates in the first three months of 2022 were slightly higher than the ones at the end of 2021. EURIBOR has remained at a historically low level (negative).

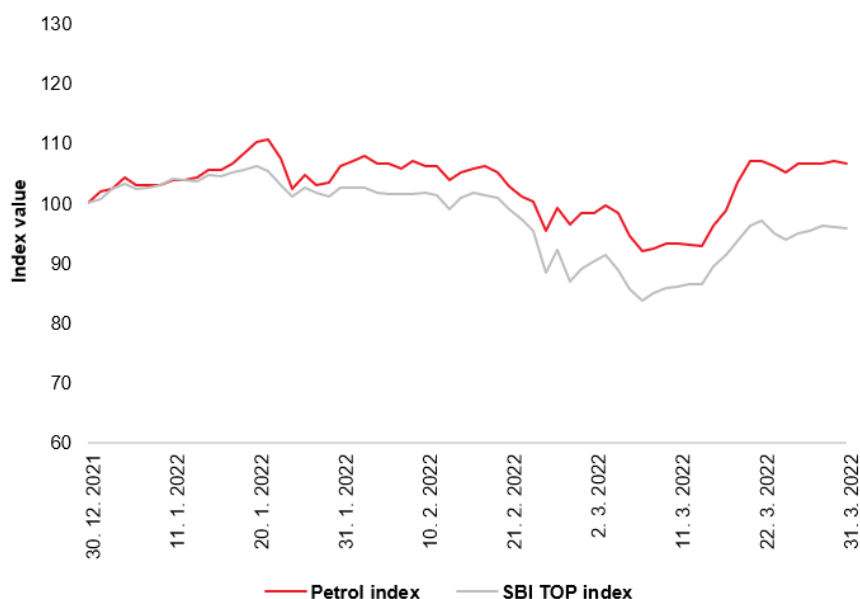
To hedge against the interest rate risk exposure, a large portion of variable interest rates is transformed into a fixed interest rate using derivative financial instruments, thus protecting our net interest position. In the first three months of 2022, no additional interest rate hedging contracts were concluded.

Petrol's shares

In the first three months of 2022¹, prices of shares on the Ljubljana Stock Exchange were to a large extent affected by the escalation of tensions and war in Ukraine. The SBITOP (the Slovenian blue-chip index, which is used as a benchmark and provides information on changes in the prices of the most important and liquid shares traded on the regulated market and which includes Petrol's shares) stood at 1,206.03 at the end of March, down by 4.2 percent compared to the end of 2021 when it stood at 1,258.80, since many shares recorded significant drops in value. During this period, the price of Petrol's shares increased by 6.7 percent. In terms of trading volume, which in the case of Petrol's shares amounted to EUR 16.7 million between January and March 2022 (this includes batch trading totalling EUR 1.4 million, the Petrol share was ranked 3rd among the shares traded on the Ljubljana Stock Exchange. In terms of market capitalisation, which stood at EUR 1.1 billion as at 31 March 2022, the Petrol share was ranked third and accounted for 12.8 percent of the total Slovenian stock market capitalisation on the said date.

¹ Sources of data for chapter "Petrol's shares": Ljubljana Stock Exchange website, Petrol share register, statements of the Petrol Group for January–March 2022.

Figure 18: Base index changes for Petrol d.d., Ljubljana's closing share price against the SBITOP index in the first three months of 2022 compared to the end of 2021



In the first three months of 2022, the closing Petrol share price ranged between EUR 467.00 and EUR 562.00 per share. The average price for the period stood at EUR 522.92 EUR; at the end of March 2022, it stood at EUR 542.00. The earnings per share (EPS) of the Petrol Group's majority shareholders stood at EUR 14.18; the book value per share stood at EUR 454.42. As at 31 March 2022, Petrol d.d., Ljubljana had 21,135 shareholders. At the end of March 2022, 580,088 shares or 27.8 percent of all shares were held by foreign legal entities or natural persons. Compared to the end of 2021, the share of foreign shareholders increased by 0.4 percentage points.

Figure 19: Closing price and the volume of trading in Petrol's shares in the first three months of 2022

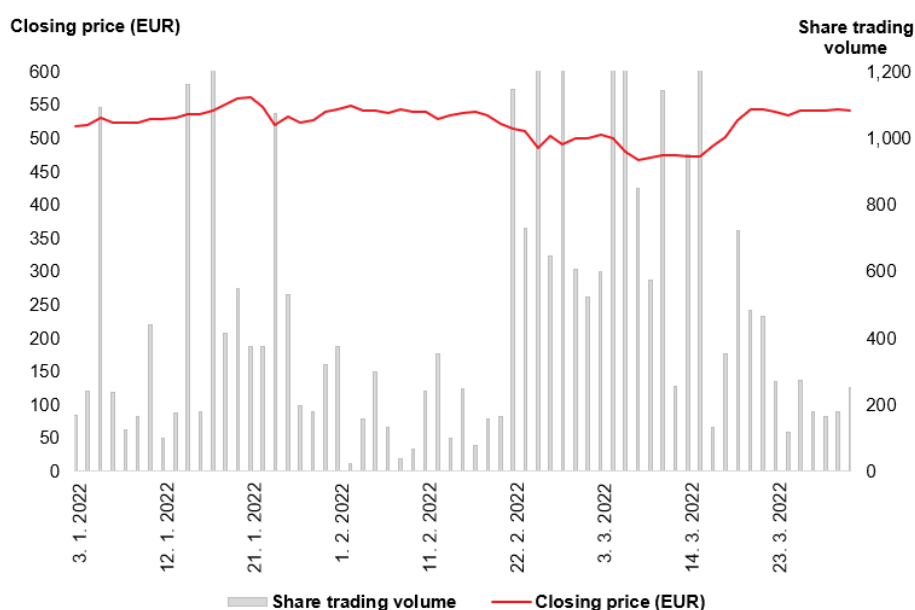
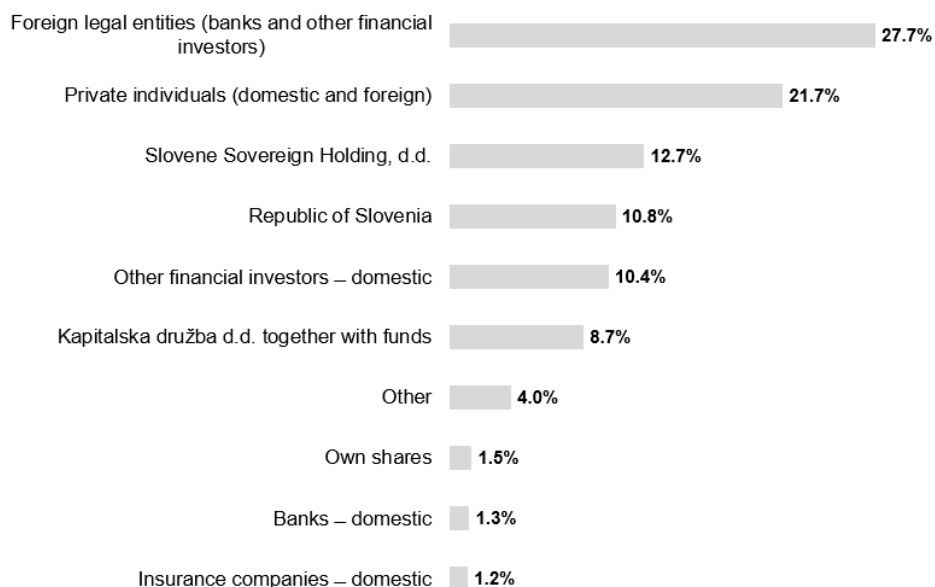


Figure 20: Ownership structure of Petrol d.d., Ljubljana as at 31 March 2022

Table 4: Changes in the ownership structure of Petrol d.d., Ljubljana (comparison between 31 March 2022 and 31 December 2021)

Petrol d.d., Ljubljana	31 March 2022		31 December 2021	
	No. of Shares	in %	No. of Shares	in %
Foreign legal entities (banks and other inst. inv.)	577,397	27.7%	568,942	27.3%
Private individuals (domestic and foreign)	452,144	21.7%	459,646	22.0%
Slovenski državni holding, d.d.	264,516	12.7%	264,516	12.7%
Republic of Slovenia	225,699	10.8%	225,699	10.8%
Other institutional investors - domestic	216,265	10.4%	218,818	10.5%
Kapitalska družba d.d. together with own funds	182,440	8.7%	182,543	8.7%
Others	84,057	4.0%	81,520	3.9%
Own shares	30,723	1.5%	30,723	1.5%
Banks - domestic	27,581	1.3%	28,415	1.4%
Insurers - domestic	25,479	1.2%	25,479	1.2%
Total	2,086,301	100.0%	2,086,301	100.0%

Table 5: 10 largest shareholders of Petrol d.d., Ljubljana as at 31 March 2022

	Shareholder	Address	Number of shares	Holding in %
1	Clearstream Banking SA - fiduciary account	42 Avenue J. F. Kennedy, L-1855, Luxembourg	293,502	14.07%
2	Slovene Sovereign Holding, d.d.	Mala ulica 5, 1000 Ljubljana	264,516	12.68%
3	Republic of Slovenia	Gregorčičeva ulica 20, 1000 Ljubljana	225,699	10.82%
4	Kapitalska družba, d.d.	Dunajska cesta 119, 1000 Ljubljana	172,639	8.27%
5	OTP banka d.d. - Client account - fiduciary	Domovinskog rata 61, 21000 Split, Croatia	142,159	6.81%
6	Vizija Holding, d.o.o.	Dunajska cesta 156, 1000 Ljubljana	71,676	3.44%
7	Vizija Holding Ena, d.o.o.	Dunajska cesta 156, 1000 Ljubljana	66,572	3.19%
8	Perspektiva FT d.o.o.	Dunajska cesta 156, 1000 Ljubljana	36,262	1.74%
9	Erste Group Bank AG - PBZ Croatia Osigur	Am Belvedere Wien, Austria	33,299	1.60%
10	Unicredit Bank Hungary ZRT. - fiduciary	Szabadsag Ter 5 - 6, 1054 Budapest, Hungary	30,989	1.49%

Table 6: Shares owned by members of the Supervisory and Management Board as at 31 March 2022

Name and Surname	Position	Shares owned	Equity share
Supervisory Board		88	0.0042%
Internal members		88	0.0042%
1. Marko Šavli	Member of the Supervisory Board	88	0.0042%
2. Alen Mihelčič	Member of the Supervisory Board	0	0.0000%
3. Robert Ravnikar	Member of the Supervisory Board	0	0.0000%
External members		0	0.0000%
1. Janez Žlak	President of the Supervisory Board	0	0.0000%
2. Borut Vrvščar	Deputy President of the Supervisory Board	0	0.0000%
3. Aleksander Zupančič	Member of the Supervisory Board	0	0.0000%
4. Alenka Urnaut Ropoša	Member of the Supervisory Board	0	0.0000%
5. Mladen Kaliterna	Member of the Supervisory Board	0	0.0000%
6. Mário Selecký	Member of the Supervisory Board	0	0.0000%
Management Board		4	0.0002%
1. Nada Drobne Popovič	President of the Management Board	4	0.0002%
2. Matija Bitenc	Member of the Management Board	0	0.0000%
3. Jože Bajuk	Member of the Management Board	0	0.0000%
4. Jože Smolič	Member of the Management Board	0	0.0000%
5. Zoran Gračner	Member of the Management Board and Worker Director	0	0.0000%

Contingent increase in share capital

In the period up to 31 March 2022, the General Meeting of Petrol d.d., Ljubljana did not adopt any resolutions regarding the contingent increase in share capital.

Dividends

In accordance with a resolution adopted at the 34th General Meeting held on 21 April 2022, Petrol d.d., Ljubljana will pay a gross dividend of EUR 30.00 per share in August 2022. In 2021, the gross dividend was paid in the amount of EUR 22.00 per share.

Own shares

Petrol d.d., Ljubljana did not repurchase its own shares in the period from January to March 2022. As at 31 March 2022, the number of own shares stood at 30,723, representing 1.5 percent of the share capital. This includes 24,703 own shares that were acquired by Petrol d.d., Ljubljana in the period from 1997 to 1999. Their total cost equalled EUR 2.6 million as at 31 March 2022 and was EUR 10.8 million lower than their market value on that date. The remaining 6,020 shares are considered as own shares which were held by the subsidiary Geoplin d.o.o. Ljubljana at the time it was incorporated into the Petrol Group.

Petrol d.d., Ljubljana's own shares, excluding Geoplin d.o.o. Ljubljana's shares, in total amounting to 36,142, were purchased between 1997 and 1999. The Company may acquire

these own shares only for the purposes laid down in Article 247 of the Slovenian Companies Act (ZGD-1) and as remuneration for the Management and Supervisory Boards. Own shares are used in accordance with the Company's Articles of Association.

Regular participation at investors' conferences and external communication

Petrol d.d., Ljubljana has set up a programme of regular cooperation with domestic and foreign investors, which consists of public announcements, individual meetings and public presentations. We regularly attend investors' conferences that are organised each year by stock exchanges, banks, and brokerage companies. In the first three months of 2021, we held several individual videoconferences with investors and analysts. In March, we took part in the Ljubljana Stock Exchange's webinar "Slovenian stock companies online".

Credit rating

On 9 April 2021, Standard & Poor's Ratings Services again reaffirmed Petrol d.d., Ljubljana's "BBB-" long-term credit rating, its "A-3" short-term credit rating and its "stable" credit rating outlook.

General Meeting resolutions

Resolutions adopted at the 34th General Meeting of Petrol d.d., Ljubljana held on 21 April 2022 (available at <https://www.petrol.eu/binaries/content/assets/skupina-petrol-eng/publications/2022/04/resolutions-of-34th-general-meeting-of-petrol-d.d.%2C-ljubljana-21.4.2022.pdf>):

1. Attorney Uroš Pogačnik from a Grosuplje-based Law Firm Čeferin, Pogačnik, Novak, Koščak in partnerji, o.p., d.o.o. shall be elected Chairman of the General Meeting, and Gregor Mavsar and Barbara Jama Živalič as officials responsible for counting the votes. The General Meeting is informed that the notarial protocol will be drawn up by Bojan Podgoršek, Notary Public from Ljubljana.
2. **2.1.** The profit for appropriation as of 31 December 2021, amounting to EUR 61,847,940 will be distributed as follows:
 - part of the profit for appropriation amounting to EUR 61,667,340 will be distributed as dividend payments to shareholders: gross dividend of EUR 30.00 per share (own shares do not participate),
 - the remaining part of the profit for appropriation in the amount of EUR 180,600 and any amounts which may result from the number of own shares on the record date and from rounding off the dividend payment figures, will be transferred to other profit reserves.

The Company will pay out dividends on 5 August 2022 to all shareholders registered at KDD (Central Securities Clearing Corporation) as of 4 August 2022.

2.2. The General Meeting has taken note and hereby endorses the Report on Remuneration to Management and Supervisory Bodies of Petrol d.d., Ljubljana in the financial year 2021.

2.3. The General Meeting gives a discharge to the Management Board of the Company for the financial year 2021.

- 2.4.** The General Meeting gives a discharge to the Supervisory Board of the Company for the financial year 2021.
- 3. 3.1.** The General Meeting has taken note and hereby endorses the Remuneration Policy for Management and Supervisory Bodies of Petrol d.d., Ljubljana.
- 4. 4.1.** Pricewaterhousecoopers d.o.o., Cesta v Kleče 15, 1000 Ljubljana is appointed as the Company auditor for the financial years of 2022, 2023 and 2024.
- 5. 5.1.** With the aim to align the Company's Articles of Association with the provision of the third paragraph of Article 297 of the ZGD-1, point 11.07 of 11.00, Chapter IV., shall be amended to read as follows: "Only those shareholders who have registered for participation in the General Meeting not later than at the end of the fourth day prior to the General Meeting, and who have been registered in the Central Book-Entry Securities Register as of the end of the seventh day prior to the General Meeting, shall be entitled to participate in the General Meeting and exercise their voting rights."
- 6. 6.1.** Each ordinary registered no-par value share of the Company with the PETG symbol shall be split into 20 ordinary registered no-par value shares of the Company.
- 6.2.** In the Company's Articles of Association, point 04.01. of Article 04.00 Share capital, number and types of shares, Chapter II. Share capital and shares shall be amended to read as follows:
 "The Company's share capital amounts to EUR 52,240,977.04 (fifty-two million, two hundred and forty thousand, nine hundred and seventy-seven euros and four cents) and is divided into 41,726,020 (forty-one million, seven hundred and twenty-six thousand and twenty) ordinary registered no-par value shares."
- 6.3.** A new point 18.03. shall be added in Article 18.00. Articles of Association and general acts of Chapter VIII. Articles of Association and general acts of the Company's Articles of Association, which reads as follows: "The Company has 2,086,301 (two million, eighty-six thousand, three hundred and one) ordinary registered no-par value shares in the Central Book-Entry Securities Register until the total number of Company's shares in the Central Book-Entry Securities Register is aligned with point 04.01 of these Articles of Association with the entry of the split of each share into 20 (twenty) parts."
- 6.4.** Points of resolutions 6.1. to 6.3., inclusive, shall enter into effect on 19 August 2022.
- 6.5.** The General Meeting hereby authorises the Supervisory Board to align the text of the Articles of Association in accordance with the points of resolutions 6.1. to 6.4., inclusive, and draw up a clean copy of the Articles of Association.
 The Management Board of the Company shall implement the necessary procedures for the PETG share split after the entry of the Articles of Association amendment into the Court Register of Companies.
- 7. 7.1.** The General Meeting authorises the Management Board of the Company to purchase own shares over a period of 12 months starting on the effective date of this resolution. The authorisation applies for the acquisition of a maximum of such number of shares that the total percentage of the shares acquired based on this authorisation, together with other own shares already held by the Company on this authorisation adoption date, does not exceed 2% of the Company's share capital.
 The Company may acquire own shares by way of transactions concluded on the regulated market at the market price as valid at the respective time. The Company may also acquire own shares on the over-the-counter market. In acquiring shares on the regulated or over-the-counter market, the purchase price of shares cannot be lower than 50% of the book value per share calculated based on the last published audited

annual statements of the Petrol Group. Likewise, the purchase price of shares cannot be higher than 11-times the amount of earnings per share (EPS) calculated based on the last published audited annual financial statements of the Petrol Group.

Pursuant to the third and fourth paragraphs of Article 381 of the ZGD-1, the Company may reduce (one-time or successively) its share capital through the withdrawal of all own shares acquired based on this authorisation (but not also those own shares acquired previously) under the simplified procedure and to the debit of other profit reserves based on the Supervisory Board's consent. The Company may use own shares acquired based on this authorisation solely in accordance with this resolution.

7.2. Resolution 7.1 shall enter into effect on 30 November 2022, but not prior to the PETG share split execution, pursuant to General Meeting resolutions 6.1. to 6.5., in the Central Book-Entry Securities Register.

Supervisory Board of Petrol d.d., Ljubljana

Composition of the Supervisory Board did not change in the first three months of 2022. It consists of President Janez Žlak, Deputy President Borut Vrviščar, and Members Mário Selecký, Mladen Kaliterna, Alenka Urnaut Ropoša, Aleksander Zupančič, Alen Mihelčič, Robert Ravnika and Marko Šavli.

Strategy of the Petrol Group for the period 2021–2025

On 28 January 2021, the Supervisory Board of Petrol d.d., Ljubljana approved the Strategy of the Petrol Group for the period 2021–2025. Ensuring business growth and increasing the profitability of operations while maintaining the commitment to sustainable development are the main principles underpinning the preparation and implementation of the strategic plan.

The Petrol Group's strategy for the 2021–2025 period is an overarching development document defining the path to a successful future based on the Group's vision, goals and strategic business plan.

The environment in which the Petrol Group operates is facing important changes. Energy transition towards a low-carbon company and the development of new technologies are transforming established ways of how energy products are produced, sold and used. Petrol is committed to making a transition to green energy and is making significant investments to achieve it. While co-creating opportunities brought about by the energy transition we will also continue to supply the market with hydrocarbons.

The new strategy of the Petrol Group defines clear targets for implementing our vision to become an integrated partner in the energy transition, offering an excellent user experience. This helps us focus on our core business, which is to supply energy products, as it is this area where we still see great potential and opportunities in connection with the energy transformation.

Creating and cultivating relationships with customers is our priority and we will continue to strengthen our sales network in the region as a result. Thanks to new digital channels, a broader range of energy products and personalised offer, we will be even closer to our

customers, helping them to make a transition from traditional energy sources to cleaner renewable energy. Our aim is to become a key link in a broader ecosystem by offering energy sources that are adapted to and co-shape the market. For this reason, we will increase operational efficiency to free up additional funds for investments in renewable energy production.

The Petrol Group recognises the importance of sustainable development. The transition to a low-carbon energy company, partnership with employees and the social environment, and the circular economy constitute the Petrol Group's business commitments in this strategic period. As a partner to industry, public sector and households, Petrol is assuming a leading role in achieving the environmental goals.

Through continuous development of fuels, we will actively contribute to reducing emissions. At the same time, we will help to reduce the carbon footprint of both the Petrol Group and our customers by pursuing clear sustainable policies.

Thanks to improved internal processes, new competences and empowered employees, we will be even more proactive in addressing the current and future needs of our customers in the energy industry and adapt our operations to the user, who is at the centre of our attention. We want to become the first choice for shopping on the go.

In this strategic period, we will remain present in all markets, focusing on:

- Slovenia, where we will consolidate our position of a leading energy company and partner in the energy transition;
- Croatia, where we will use our sales network to expand our portfolio of customers in the field of energy products and energy transition services and invest in renewable electricity production;
- Serbia, where we will increase our share in the energy product sales market.

We will work to remain the first choice for energy transition projects in the region by offering integrated services with high added value. We will develop and strengthen our presence in the supply and sale of natural gas and electricity, in the sale of liquefied petroleum gas and in energy efficiency projects. Renewable electricity production, where we will position ourselves to become a major supplier in SE Europe, plays a particular role in the energy transition.

The development of new solutions in the field of electric mobility and mobility services constitutes an important pillar of Petrol's sustainable and innovative business. When it comes to mobility, the Petrol Group focuses on two segments. The first segment is linked to the charging infrastructure, which means setting up, managing and maintaining the infrastructure for the charging of electric vehicles as well as providing the charging service. The second segment is comprised of mobility services, such as operating leases, fleet electrification and fleet management services.

In 2025, EBITDA is planned to total EUR 336 million, with net profit amounting to EUR 180 million. The net debt-to-EBITDA ratio is planned to be less than 1. In the period of 2021–2025, we plan to invest a total of EUR 698 million, of which more than 35 percent will be dedicated to the energy transition and thus to carbon footprint reduction. As for other investments, the greater part will be allocated to expanding and upgrading our retail network and to digitalising our business.

Financial projections take into account the impact of Covid-19 in the first quarter of 2021 and assume that the vaccination coverage of the population will have been achieved by mid-2021. In accordance with the projections of international financial institutions, economic recovery is expected to be V-shaped.

By achieving the goals, we will strengthen long-term financial stability of the Petrol Group. Through a stable dividend policy, we will ensure a balanced dividend yield for shareholders and the use of free cash flows to finance the Petrol Group's investment plans. This will allow for long-term growth and development of the Group, maximising its value for the owners. The dividend policy target for the strategic period 2021–2025 is 50 percent of the Group's net profit, taking into account the investment cycle, Group indicators and the achieved objectives.

The main targets for 2025 are:

- Sales revenue of EUR 4.7 billion (the 2025 sales revenue figures rely on the assumption that energy product prices will match the levels used in the plans for 2021)
- EBITDA of EUR 336 million
- Net debt-to-EBITDA ratio <1
- Net profit of EUR 180 million
- Total investments in fixed assets of EUR 698 million in the period 2021–2025, of which 35 percent in energy transformation
- Renewable electricity production output of 160 MW
- Retail network consisting of 627 service stations
- 1,575 charging points for electric vehicles
- Energy savings of 73 GWh for end-customers in the period 2021–2025

Business plan for 2022

Energy market participants are faced with great challenges and changes. On the one hand, we are faced with an extremely complex systemic transition to renewable supply sources, while on the other, a considerable shift can be observed in the behaviour of end customers, who are becoming increasingly engaged and environmentally conscious. As a main energy company in Slovenia and SE Europe, the Petrol Group took on an active role in increasing energy independence, energy efficiency and the share of renewables. To this end, the Petrol Group will further endeavour to reduce its carbon footprint also in 2022.

The sales of merchandise and services make up an important part of the Petrol Group's revenue, which is why the situation in the trade sector has a major impact on operations. Digitalisation has changed consumers' expectations and shopping habits, as well as sales channels. The pandemic has further highlighted the need to reduce and control costs by optimising supply and sales chains, thereby ensuring point-of-sale profitability.

Providing a full range of customer-focused products and services with an excellent shopping experience is at the heart of Petrol's operations. As we try to approach our customers in innovative ways, we also change and upgrade our internal operating processes, which enable us to develop new solutions and sustainable models.

The Petrol Group's main operating targets for 2022:

- Sales revenue of EUR 5.9 billion,
- Adjusted gross profit of EUR 643.9 million,
- EBITDA of EUR 297.8 million,
- Net profit of EUR 158.3 million,
- Net debt-to-EBITDA ratio of 1.6,
- Sales of petroleum products in the amount of 3.6 million tons,
- Sales of liquefied petroleum gas in the amount of 162.4 thousand tons,
- Sales of natural gas in the amount of 24.2 TWh,
- Revenue from sales of merchandise² in the amount of EUR 532.2 million.

Risks to achieving the plan

At the Petrol Group, we are aware that despite careful preparation, informed business decisions, quick response to change and an efficient risk management system, external factors may arise in the business environment, which are beyond our direct control and may pose a risk or a threat when it comes to meeting our targets.

The main risk underlying the achievement of the set plan in 2022 was the negative impact of the energy crisis on inflation and, consequently, on the growth of living expenses and the management of higher operating costs. In the first quarter of the year, energy prices further increased because of the war situation in Ukraine.

Despite the extremely intensified and unpredictable situation which resulted in the realisation of some of the risks that were identified in plan preparation:

- intensification of petroleum product purchase conditions,
- energy product selling price regulation,
- negative effects of the energy crisis on inflation and, consequently, on the growth of living expenses and lower economic growth,

the Petrol Group pursued the set targets in the first quarter of the year.

Energy price regulation

Another risk to achieving the plan for 2022 indicated by the Petrol Group when preparing the relevant plan was the regulation of energy prices. To a certain degree, the Petrol Group was faced with regulation of selling prices of fuels in all markets where it operates. In the first three months of 2022, the operations of the Petrol Group were mostly affected by price regulation in Croatia and Slovenia, which is described in more detail in the chapter about the business environment.

Upon the adoption of the new Decree Determining the Prices of Certain Petroleum Products on 10 May 2022, the Government of the Republic of Slovenia announced that after the end of the measure it would set, for the duration of the measure, a suitable amount to be compensated to those companies which will have suffered significant loss because of the measure.

² Non-oil merchandise usually sold under segment B Merchandise and services and partly under segment A Fuels and Fuel Products (biomass, tyres, batteries)

Intensification of procurement conditions and exposure to Russia

The Petrol Group does not have its own companies or representative offices in Ukraine, the Russian Federation and Belarus. The share of sales revenue generated by the Petrol Group in these markets is negligible, and the purchase of energy products in these markets, except for natural gas, represents a small share in the Petrol Group's procurement portfolio. In 2021 and the first three months of 2022, Russia as a source of supply has accounted for less than 7 percent as regards Petrol d.d., Ljubljana's middle distillates (diesel and extra light heating oil): We do not import petrol from Russia. For 2022, Petrol d.d., Ljubljana has long-term purchase contracts for petroleum products ensured in a volume which reflects the current dynamic of mobility increasing to pre-Covid-19 levels, such as determined in the business plan for 2022.

The largest part of the Petrol Group's operations with companies from the Russian Federation is the purchase of natural gas, which takes place through Geoplin d.o.o., Ljubljana. For the time being, deliveries from Russia are going smoothly and in accordance with contractual obligations. We focus greatly on the diversification of the procurement portfolio. Geoplin d.o.o., Ljubljana will do everything in its power to ensure the uninterrupted supply of natural gas to its customers.

Events after the end of the accounting period

The Decree Determining the Prices of Certain Petroleum Products, which was adopted on 14 March 2022 for retail prices of motor fuels in Slovenia and amended on 31 March 2022 to include wholesale prices of motor fuels, ended on 1 May 2022; the prices of motor fuels are again market-determined. The Government of the Republic of Slovenia extended price regulation for extra light heating oil by another month, that is, until 21 May 2022. The Decree that set the maximum margin at EUR 0.0600 per litre has been in effect since 20 October 2021.

On 10 May 2022, the Government of the Republic of Slovenia adopted the Decree Determining the Prices of Certain Petroleum Products, setting the maximum permitted retail and wholesale prices of fuel products. The maximum permitted retail price of NMB-95 petrol is EUR 1.560 per litre and diesel EUR 1.668 per litre. The maximum permitted wholesale price of NMB-95 petrol is EUR 1.540 per litre and diesel EUR 1.648 per litre. The Decree entered into effect on 11 May 2022 and shall apply for three months, until 10 August 2022 inclusive. Pursuant to the Decree, companies are prohibited from stopping to sell commodities because of the measure which has set the maximum permitted retail and wholesale prices of petroleum products. To this end, the Government will, after the end of the measure, set an appropriate amount as compensation for the companies which will have suffered substantial loss due to this measure during its validity (available at <https://www.gov.si/novice/2022-05-10-ponovno-uvajamo-najvisje-dovoljene-cene-neosvincenega-95-oktanskega-bencina-in-dizelskega-goriva/>).

Petrol d.d., Ljubljana, addressed a claim to the government for reimbursement of EUR 51.3 million for the loss resulting from the regulation of the final selling price in the period between 15 March and 30 April 2022. The part of the claim referring to the period of January–March 2022 has amounted to EUR 18.4 million. This claim is not included in the financial statements of Petrol d.d., Ljubljana, for the period of January–March 2022.

FINANCIAL REPORT

Financial performance of the Petrol Group and Petrol d.d., Ljubljana

Statement of profit and loss of the Petrol Group and Petrol d.d., Ljubljana

(in EUR)	Note	The Petrol Group		Petrol d.d.	
		1-3 2022	1-3 2021	1-3 2022	1-3 2021
Sales revenue	1	1,936,817,792	911,947,639	1,396,446,126	601,877,929
Cost of goods sold		(1,774,584,941)	(774,869,966)	(1,302,875,647)	(510,959,686)
Costs of materials	2	(11,039,866)	(7,810,829)	(9,128,455)	(6,552,501)
Costs of services	3	(41,937,355)	(32,277,274)	(31,495,825)	(26,036,861)
Labour costs	4	(32,299,251)	(27,967,847)	(20,348,470)	(20,164,731)
Depreciation and amortisation	5	(22,476,575)	(18,535,103)	(11,329,766)	(11,508,004)
Other costs	6	(7,289,413)	(10,561,863)	(4,747,279)	(7,566,192)
Operating costs		(115,042,460)	(97,152,916)	(77,049,795)	(71,828,289)
Other income	7	116,036,943	11,189,705	117,421,317	10,973,077
Other expenses	8	(120,153,680)	(15,672,962)	(116,484,917)	(14,942,110)
Operating profit or loss		43,073,654	35,441,500	17,457,084	15,120,921
Share of profit or loss of equity accounted investees		742,846	297,137	-	-
Finance income from dividends paid by subsidiaries, associates and jointly controlled entities		-	-	-	-
Other finance income	9	19,159,615	6,252,547	17,724,897	4,908,565
Other finance expenses	9	(23,110,105)	(8,920,704)	(20,073,782)	(8,249,105)
Net finance expense		(3,950,490)	(2,668,157)	(2,348,885)	(3,340,540)
Profit before tax		39,866,010	33,070,480	15,108,199	11,780,381
Tax expense		(7,714,797)	(5,783,356)	(3,170,204)	(1,903,509)
Deferred tax		257,113	511,969	570,356	(132,400)
Corporate income tax		(7,457,684)	(5,271,387)	(2,599,848)	(2,035,909)
Net profit for the period		32,408,326	27,799,093	12,508,351	9,744,472
Net profit for the period attributable to:					
Owners of the controlling company		29,148,235	25,672,677	12,508,351	9,744,472
Non-controlling interest		3,260,091	2,126,416	-	-
Basic and diluted earnings per share attributable to owners of the controlling company	10	14.18	12.49	6.07	4.73

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Other comprehensive income of the Petrol Group and Petrol d.d., Ljubljana

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Net profit for the period	32,408,326	27,799,093	12,508,351	9,744,472
Effective portion of changes in the fair value of cash flow variability hedging	12,456,679	1,262,086	11,022,263	1,063,231
Change in deferred taxes	(2,352,425)	(237,816)	(2,094,230)	(202,022)
Change in the fair value of financial assets through other comprehensive income	-	-	-	-
Change in deferred taxes	-	-	-	-
Foreign exchange differences	(3,099,526)	(854,372)	-	-
Other comprehensive income to be recognised in the statement of profit or loss in the future	7,004,728	169,898	8,928,033	861,209
Attribution of changes in the equity of subsidiaries	-	-	-	-
Change in deferred taxes	-	-	-	-
Attribution of changes in the equity of associates	-	-	-	-
Change in deferred taxes	-	-	-	-
Total other comprehensive income to be recognised in the statement of profit or loss in the future	7,004,728	169,898	8,928,033	861,209
Unrealised actuarial gains and losses	-	-	-	-
Other comprehensive income not to be recognised in the statement of profit or loss in the future	-	-	-	-
Attribution of changes in the equity of subsidiaries	-	-	-	-
Attribution of changes in the equity of associates	-	-	-	-
Total other comprehensive income not to be recognised in the statement of profit or loss in the future	-	-	-	-
Total other comprehensive income after tax	7,004,728	169,898	8,928,033	861,209
Total comprehensive income for the year	39,413,054	27,968,991	21,436,384	10,605,681
Total comprehensive income attributable to:				
Owners of the controlling company	36,160,074	25,846,965	21,436,384	10,605,681
Non-controlling interest	3,252,980	2,122,026	-	-

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Statement of financial position of the Petrol Group and Petrol d.d., Ljubljana

		The Petrol Group		Petrol d.d.	
(in EUR)	Note	31 March 2022	31 December 2021	31 March 2022	31 December 2021
ASSETS					
Non-current (long-term) assets					
Intangible assets	11	341,093,117	345,329,895	154,292,246	155,524,818
Right-of-use assets	12	97,596,477	102,621,512	28,303,567	27,874,823
Property, plant and equipment	13	759,031,948	767,704,711	362,483,253	366,262,157
Investment property		15,722,702	16,139,743	11,993,093	12,335,994
Investments in subsidiaries	14	-	-	554,032,932	553,970,331
Investments in jointly controlled entities	15	1,243,963	704,501	210,000	210,000
Investments in associates	16	55,373,010	55,169,626	26,610,477	26,610,477
Financial assets at fair value through other comprehensive income	17	4,133,044	4,133,044	2,117,914	2,117,914
Financial receivables		951,944	991,831	83,135,644	83,299,185
Operating receivables		7,833,957	8,228,771	7,815,749	8,219,107
Deferred tax assets		10,566,975	11,379,674	6,631,639	8,155,514
		1,293,547,137	1,312,403,308	1,237,626,514	1,244,580,320
Current assets					
Inventories	18	190,369,337	178,191,288	126,901,679	96,573,239
Contract assets		24,563,421	3,338,893	26,570,942	7,604,649
Financial receivables	19	2,295,267	16,168,692	21,023,392	16,181,049
Operating receivables	20	730,488,219	650,343,180	481,365,867	385,829,891
Corporate income tax assets		888,252	616,729	-	-
Financial assets at fair value through profit or loss	21	50,092,343	34,666,891	49,976,405	34,561,544
Financial assets at fair value through other comprehensive income	22	12,262,952	1,776,801	10,159,860	1,100,446
Prepayments and other assets	23	151,290,170	85,718,759	56,557,643	50,728,784
Cash and cash equivalents		52,041,842	100,226,890	13,348,462	57,567,397
		1,214,291,803	1,071,048,123	785,904,250	650,146,999
Total assets		2,507,838,940	2,383,451,431	2,023,530,764	1,894,727,319
EQUITY AND LIABILITIES					
Equity attributable to owners of the controlling company					
Called-up capital		52,240,977	52,240,977	52,240,977	52,240,977
Capital surplus		80,991,385	80,991,385	80,991,385	80,991,385
Legal reserves		61,987,955	61,987,955	61,749,884	61,749,884
Reserves for own shares		4,708,359	4,708,359	4,708,359	4,708,359
Own shares		(4,708,359)	(4,708,359)	(2,604,670)	(2,604,670)
Other revenue reserves		318,560,136	318,523,082	340,914,615	340,914,615
Fair value reserve		(789,611)	(789,611)	39,809,449	39,809,449
Hedging reserve		9,245,670	(858,584)	7,791,183	(1,136,850)
Foreign exchange differences		(11,726,835)	(8,634,420)	-	-
Retained earnings		391,333,089	362,184,854	45,749,822	33,241,471
		901,842,766	865,645,638	631,351,004	609,914,620
Non-controlling interest		46,205,693	43,052,367	-	-
Total equity		948,048,459	908,698,005	631,351,004	609,914,620
Non-current liabilities					
Provisions for employee post-employment and other long-term benefits		9,517,503	9,516,091	7,969,809	7,969,809
Other provisions		35,749,181	34,323,479	19,917,812	17,606,490
Long-term deferred revenue		35,068,162	34,447,444	29,437,232	29,459,071
Financial liabilities	24	427,988,654	433,812,995	398,662,151	404,555,761
Lease liabilities	25	89,887,917	92,991,633	27,244,976	26,735,533
Operating liabilities		5,661,782	5,661,782	5,661,782	5,661,782
Deferred tax liabilities		2,823,715	1,583,658	-	-
		606,696,914	612,337,082	488,893,762	491,988,446
Current liabilities					
Financial liabilities	24	83,081,706	65,958,447	265,913,030	272,485,762
Lease liabilities	25	12,065,754	13,768,130	2,717,596	2,717,596
Operating liabilities	26	754,648,593	690,456,613	536,101,922	442,507,932
Corporate income tax liabilities		21,870,132	18,786,511	18,801,827	16,353,199
Contract liabilities	27	13,600,604	14,828,344	15,406,235	7,905,838
Other liabilities	28	67,826,778	58,618,299	64,345,388	50,853,926
		953,093,567	862,416,344	903,285,998	792,824,253
Total liabilities		1,559,790,481	1,474,753,426	1,392,179,760	1,284,812,699
Total equity and liabilities		2,507,838,940	2,383,451,431	2,023,530,764	1,894,727,319

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.



Report on the operations of the Petrol Group and Petrol d.d., Ljubljana in the first three months of 2022

Statement of changes in equity of the Petrol Group

(in EUR)	Called-up capital	Capital surplus	Revenue reserves				Fair value reserve	Hedging reserve	Foreign exchange differences	Retained earnings	Equity attributable to owners of the controlling company	Non-controlling interest	Total
			Legal reserves	Reserves for own shares	Own shares	Other revenue reserves							
As at 1 January 2021	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	316,057,569	(753,447)	(4,195,723)	(9,126,807)	290,793,508	787,995,417	38,674,020	826,669,437
Net profit for the current year										25,672,677	25,672,677	2,126,416	27,799,093
Other changes in other comprehensive income								1,024,270	(849,982)		174,288	(4,390)	169,898
Total changes in total comprehensive income	-	-	-	-	-	-	-	1,024,270	(849,982)	25,672,677	25,846,965	2,122,026	27,968,991
As at 31 March 2021	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	316,057,569	(753,447)	(3,171,453)	(9,976,789)	316,466,185	813,842,382	40,796,046	854,638,428
As at 31 December 1-3 2021	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	316,057,569	(753,447)	(3,171,453)	(9,976,789)	316,466,185	813,842,382	40,796,046	854,638,428
Increase/(decrease) in non-controlling interest						37,054					37,054	(99,654)	(62,600)
Transactions with owners	-	-	-	-	-	37,054	-	-	-	-	37,054	(99,654)	(62,600)
Net profit for the current year										29,148,235	29,148,235	3,260,091	32,408,326
Other changes in other comprehensive income								10,104,254	(3,092,415)		7,011,839	(7,111)	7,004,728
Total changes in total comprehensive income	-	-	-	-	-	-	-	10,104,254	(3,092,415)	29,148,235	36,160,074	3,252,980	39,413,054
As at 31 March 2022	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	318,560,136	(789,611)	9,245,670	(11,726,835)	391,333,089	901,842,766	46,205,693	948,048,459

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.



Report on the operations of the Petrol Group and Petrol d.d., Ljubljana in the first three months of 2022

Statement of changes in equity of Petrol d.d., Ljubljana

(in EUR)	Called-up capital	Capital surplus	Revenue reserves				Fair value reserve	Hedging reserve	Retained earnings	Total
			Legal reserves	Reserves for own shares	Own shares	Other revenue reserves				
As at 1 January 2021	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	338,449,102	39,796,454	(3,796,881)	14,446,758	585,981,368
Net profit for the current year									9,744,472	9,744,472
Other changes in other comprehensive income								861,209		861,209
Total changes in total comprehensive income	-	-	-	-	-	-	-	861,209	9,744,472	10,605,681
As at 31 March 2021	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	338,449,102	39,796,454	(2,935,672)	24,191,230	596,587,049
As at 1 January 2022	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	340,914,615	39,809,449	(1,136,850)	33,241,471	609,914,620
Dividend payments for 2021										-
Transfer of a portion of 2022 net profit										-
Transactions with owners	-	-	-	-	-	-	-	-	-	-
Net profit for the current year									12,508,351	12,508,351
Other changes in other comprehensive income								8,928,033		8,928,033
Total changes in total comprehensive income	-	-	-	-	-	-	-	8,928,033	12,508,351	21,436,384
As at 31 March 2022	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	340,914,615	39,809,449	7,791,183	45,749,822	631,351,004

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Cash flow statement of the Petrol Group and Petrol d.d., Ljubljana

(in EUR)	Note	The Petrol Group		Petrol d.d.	
		1-3 2022	1-3 2021	1-3 2022	1-3 2021
Cash flows from operating activities					
Net profit		32,408,326	27,799,093	12,508,351	9,744,472
Adjustment for:					
Corporate income tax		7,457,684	5,271,387	2,599,848	2,035,909
Depreciation of property, plant and equipment, investment property and right-of-use assets	5	18,988,569	15,429,860	8,865,900	9,209,691
Amortisation of intangible assets	5	3,488,006	3,105,243	2,463,866	2,298,313
(Gain)/loss on disposal of property, plant and equipment	6, 7	(83,973)	360,323	(38,050)	370,535
Impairment, write-down/(reversed impairment) of assets		-	3,734,139	-	1,320,938
Revenue from assets under management		(16,129)	(16,129)	(16,129)	(16,129)
Net (decrease in)/creation of provisions for long-term employee benefits		4,443	(4,824)	-	-
Net (decrease in)/creation of other provisions and long-term deferred revenue		2,106,447	5,602,731	2,289,482	5,387,134
Net goods surpluses		435,181	809,786	9,931	278,824
Net (decrease in)/creation of allowance for receivables	9	4,064,483	918,213	3,170,813	83,203
Net finance (income)/expense	9	2,477,096	957,087	1,957,671	1,280,638
Impairment of investments	9	-	-	-	943,000
Share of profit of jointly controlled entities		(539,462)	(103,731)	-	-
Share of profit of associates		(203,384)	(193,406)	-	-
Cash flow from operating activities before changes in working capital		70,587,287	63,669,772	33,811,683	32,936,527
Net (decrease in)/creation of other liabilities	28	9,271,170	(1,301,214)	13,491,468	(559,813)
Net decrease in/(creation) of other assets	23	(4,071,561)	(18,215,574)	(3,762,449)	(13,280,086)
Change in inventories	18	(12,933,589)	48,511,843	(30,338,371)	(761,492)
Change in operating and other receivables and contract assets	20	(173,818,184)	(28,124,098)	(133,832,429)	259,148
Change in operating and other liabilities and contract liabilities	26, 27	69,583,335	(49,342,166)	114,937,248	(54,974,926)
Cash generated from operating activities		(41,381,542)	15,198,563	(5,692,850)	(36,380,642)
Interest paid	9	(2,213,669)	(1,862,513)	(1,410,581)	(1,559,100)
Taxes paid		(4,624,548)	(6,338,390)	(721,579)	(3,161,777)
Net cash from (used in) operating activities		(48,219,759)	6,997,660	(7,825,010)	(41,101,518)
Cash flows from investing activities					
Payments for investments in subsidiaries	14	(62,600)	(14,950,000)	(62,600)	(22,450,000)
Receipts from investments in associates	16	-	2,575,000	-	2,575,000
Receipts from intangible assets	11	6,570	6,646	5,855	6,646
Payments for intangible assets	11	(1,487,875)	(741,352)	(1,237,150)	(274,857)
Receipts from property, plant and equipment	13	803,051	250,062	224,046	70,830
Payments for property, plant and equipment	13	(13,159,445)	(18,234,671)	(9,161,010)	(8,916,756)
Payments for investment property		(36,541)	-	-	-
Receipts from loans granted	19	14,038,605	576,016	30,813,172	17,557,689
Payments for loans granted	19	(734)	-	(35,120,000)	(2,495)
Interest received	9	753,096	741,063	606,973	795,504
Net cash from (used in) investing activities		854,127	(29,777,236)	(13,930,714)	(10,638,439)
Cash flows from financing activities					
Payments for right-of-use assets	25	(3,524,467)	(2,369,775)	(848,057)	(904,297)
Proceeds from borrowings	24	307,599,546	146,818,858	421,102,425	187,920,558
Repayment of borrowings	24	(304,730,158)	(158,548,388)	(442,716,617)	(166,125,929)
Dividends paid to shareholders		(962)	-	(962)	-
Net cash from (used in) financing activities		(656,041)	(14,099,305)	(22,463,211)	20,890,332
Increase/(decrease) in cash and cash equivalents		(48,021,673)	(36,878,881)	(44,218,935)	(30,849,626)
Changes in cash and cash equivalents					
At the beginning of the year		100,226,890	88,674,952	57,567,397	44,670,525
Foreign exchange differences		(163,375)	(64,926)	-	-
Cash acquired through acquisition of companies		-	792,219	-	-
Increase/(decrease)		(48,021,673)	(36,878,881)	(44,218,935)	(30,849,626)
At the end of the year		52,041,842	52,523,364	13,348,462	13,820,900

Accounting policies and notes are an integral part of these financial statements and should be read in conjunction with them.

Notes to the financial statements

Reporting entity

Petrol d.d., Ljubljana (hereinafter the “Company”) is a company domiciled in Slovenia. Its registered office is at Dunajska cesta 50, 1000 Ljubljana. Below we present consolidated financial statements of the Group for the period ended 31 March 2022 and separate financial statements of Petrol d.d., Ljubljana for the period ended 31 March 2022. The consolidated financial statements comprise the Company and its subsidiaries as well as the Group’s interests in associates and jointly controlled entities (together referred to as the “Group”). A more detailed overview of the Group’s structure is presented in the chapter *Organisational structure of the Petrol Group*.

Basis of preparation

a. Statement of compliance

The Company’s management approved the Company’s financial statements and the Group’s consolidated financial statements on 12 May 2022.

The financial statements of Petrol d.d., Ljubljana and consolidated financial statements of the Petrol Group have been prepared in accordance with IAS 34 – Interim financial reporting and should be read in conjunction with the Group’s annual financial statements as at 31 December 2021.

The financial statements for the period from January – March 2022 are prepared based on the same accounting policies used for the preparation of financial statements for the year ended 31 December 2021.

b. Basis of measurement

The Group’s and the Company’s financial statements have been prepared on the historical cost basis except for the financial instruments that are carried at fair value or amortised cost.

c. Functional and presentation currency

These financial statements are presented in euros (EUR) without cents, the euro also being the Company’s functional currency. Due to rounding, some immaterial differences may arise as concerns the sums presented in tables.

d. Use of estimates and judgements

The preparation of the financial statements requires management to make estimates and judgements based on the assumptions used and reviewed that affect the reported amounts of assets, liabilities, revenue and expenses. How the estimates are produced and the related assumptions and uncertainties is disclosed in the notes to individual items.

The estimates, judgements and assumptions are reviewed on a regular basis. Because estimates are subject to subjective judgments and a degree of uncertainty, actual results might differ from the estimates. Changes in accounting estimates, judgements and assumptions are recognised in the period in which the estimates are changed if a change affects that period only. If the change affects future periods, they are recognised in the period of the change and in any future periods.

Estimates and assumptions are mainly used in the following judgements:

- leases:
 - o identifying a lease,
 - o determining the lease term,
 - o determining the discount rate,
- revenue from contracts with customers:
 - o treatment of excise duty when selling petroleum products,
 - o determining the timing of satisfaction of performance obligations,
 - o sale in the name and for the account of third parties,
 - o determining whether the loyalty points provide additional benefits to customers,
- allocating assets or part of the assets to investment property,
- business combinations:
 - o defining a business combination,
 - o net asset value recognition date,
 - o estimating the fair value of net assets,
- estimating the useful lives of depreciable assets,
- assets impairment testing,
- parameters/assumptions applied in assessing asset values,
- estimating of the fair value of assets,
- estimating of the influence in jointly controlled entities,
- estimate of provisions for litigation,
- estimate of provisions for partial non-compliance in the area of renewables,
- estimate of provisions for employee post-employment and other long-term benefits,
- estimate of provisions for onerous contracts,
- assessing the possibility of using deferred tax assets.

e. Changes of financial statement presentation

The Group/Company did not change its accounting policies and financial statement presentation in 2022.

Segment reporting

In view of the fact that the financial report consists of the financial statements and accompanying notes of both the Group and the Company, only the Group's operating segments are disclosed.

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses that relate to transactions with any of the Group's other components. The operating results of operating segments are reviewed regularly by the management to make decisions about resources to be allocated to a segment and assess the Group's performance.

In June 2021, the Petrol Group adopted new organisation of the company and the Petrol Group. Reorganisation was implemented in order for the Group to achieve the strategic goals and position itself in the context of a broader energy transition in line with the new vision of the Group. Reorganisation is reflected in stronger connection of markets, regional approach and standardisation of business processes. It enables more efficient processes, unification and optimisation of support functions, customer centricity and unified appearance on markers in subsidiaries.

Since 1 January 2022 the management monitors information on four levels.

The Group thus uses the following segments in the preparation and presentation of the financial statements:

- fuels and fuel products,
- merchandise and services,
- energy and solutions,
- other.

Fuels and fuel products consist of:

- sales of petroleum products,
- sales of liquefied petroleum gas (LPG) and other alternative energy products,
- transport, fuel storage services and transshipment.
- sales of biomass,
- sales of tyres, inner tubes and batteries.

Merchandise and services consist of:

- sales of merchandise and services,

Energy and solutions consist of:

- sales of and trading in electricity,
- sales of and trading in natural gas,
- energy and environmental solutions,
- heat systems,
- distribution of natural gas,
- mobility and
- production of renewable electricity.

Other consist of:

- mining services,
- maintenance services,
- vacation rental lease.

The data for the comparative period are also adjusted to the new method of segment reporting.

The Group's operating segments in the period 1 January - 31 March 2021:

(in EUR)	Fuels and fuel products	Merchandise and services	Energy and solutions	Other	Total	Statement of profit or loss/ Statement of financial position
Sales revenue	436,445,764	128,166,897	448,435,348	1,718,988	1,014,766,997	
Revenue from subsidiaries	(90,167,034)	(49,763)	(12,028,951)	(573,610)	(102,819,358)	
Sales revenue	346,278,730	128,117,134	436,406,397	1,145,378	911,947,639	911,947,639
Operating profit or loss	18,324,511	7,855,380	8,845,866	415,743	35,441,500	35,441,500
Depreciation of property, plant and equipment, depreciation of right-of-use assets, depreciation of investment property and amortisation of intangible assets	(9,526,243)	(3,407,801)	(5,487,893)	(113,166)	(18,535,103)	(18,535,103)
Share of profit or loss of equity accounted investees	-	-	297,137	-	297,137	297,137

The Group's operating segments in the period 1 January - 31 March 2022:

(in EUR)	Fuels and fuel products	Merchandise and services	Energy and solutions	Other	Total	Statement of profit or loss/ Statement of financial position
Sales revenue	1,054,224,155	101,687,904	1,126,554,006	2,998,388	2,285,464,452	
Revenue from subsidiaries	(248,646,164)	(212,146)	(99,065,486)	(722,864)	(348,646,660)	
Sales revenue	805,577,991	101,475,758	1,027,488,520	2,275,524	1,936,817,792	1,936,817,792
Operating profit or loss	13,007,764	4,865,219	23,742,368	1,458,303	43,073,654	43,073,654
Depreciation of property, plant and equipment, depreciation of right-of-use assets, depreciation of investment property and amortisation of intangible assets	(11,434,661)	(3,656,195)	(7,284,125)	(101,594)	(22,476,575)	(22,476,575)
Share of profit or loss of equity accounted investees	-	-	742,846	-	742,846	742,846

Additional information about geographic areas in which the Group operates:

(in EUR)	Sales revenue		Total assets		Net investments	
	1-3 2022	1-3 2021	31 March 2022	31 December 2021	1-3 2022	1-3 2021
Slovenia	870,636,582	446,140,412	1,518,803,738	1,385,093,355	6,607,596	15,476,876
Croatia	316,458,120	227,757,294	693,699,091	708,835,851	1,030,041	2,881,071
Bosnia and Herzegovina	62,271,714	21,898,825	89,424,584	84,410,027	110,312	3,014
Austria	62,090,994	27,577,837	5,228,913	2,521,013	-	-
Serbia	59,749,009	20,576,554	97,420,379	97,542,278	372,482	937,751
Montenegro	16,652,811	7,445,526	33,323,582	34,663,240	29,647	85,189
Macedonia	1,491,936	2,001,076	290,846	737,181	-	-
Romania	988,364	8,569,267	544,058	474,400	-	-
Other countries	546,478,262	149,980,848	1,919,801	1,920,285	-	-
	1,936,817,792	911,947,639	2,440,654,992	2,316,197,630	8,150,078	19,383,901

Jointly controlled entities
Associates
Unallocated assets
Total assets

1,243,963	704,501
55,373,010	55,169,626
10,566,975	11,379,674
2,507,838,940	2,383,451,431

Notes to individual items in the financial statements

1. Sales revenue

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Domestic sales revenue	870,636,582	446,140,412	760,799,727	405,560,347
EU market sales revenue	803,821,011	380,469,627	512,216,486	165,106,018
Non-EU market sales revenue	262,360,199	85,337,600	123,429,913	31,211,564
Total revenue	1,936,817,792	911,947,639	1,396,446,126	601,877,929

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Fuels and fuel products	805,577,991	346,278,730	645,905,480	286,847,480
Merchandise and services	101,475,758	128,117,134	73,047,060	110,224,498
Energy and solutions	1,027,488,520	436,406,397	676,454,637	204,009,895
Other	2,275,524	1,145,378	1,038,949	796,056
Total revenue	1,936,817,792	911,947,639	1,396,446,126	601,877,929

2. Costs of material

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Costs of energy	8,942,467	6,145,412	7,820,539	5,395,115
Costs of consumables	1,839,140	1,502,887	1,207,584	1,092,340
Write-off of small tools	21,932	28,662	5,558	14,184
Other costs of materials	236,327	133,868	94,774	50,862
Total costs of materials	11,039,866	7,810,829	9,128,455	6,552,501

3. Costs of services

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Costs of transport services	9,919,556	6,728,603	7,042,482	5,497,399
Costs of service station managers	7,971,599	7,514,900	7,935,103	7,514,900
Costs of fixed-asset maintenance services	7,106,571	5,098,650	5,126,283	3,943,838
Costs of payment transactions and bank services	4,066,601	2,794,396	2,501,073	1,808,416
Lease payments	3,223,191	2,287,244	2,399,144	1,740,903
Costs of professional services	2,774,998	1,855,058	2,116,427	1,498,508
Costs of fairs, advertising and entertainment	1,599,472	1,695,959	999,902	994,050
Costs of insurance premiums	1,525,217	1,013,584	889,762	591,462
Outsourcing costs	748,992	718,592	692,051	633,293
Costs of fire protection and physical and technical security	621,070	669,804	374,369	574,672
Costs of environmental protection services	428,169	411,823	291,399	249,600
Reimbursement of work-related costs to employees	243,138	175,670	140,280	91,996
Property management	231,079	264,567	213,715	243,754
Membership fees	272,269	172,497	46,199	40,614
Other costs of services	1,205,433	875,927	727,636	613,456
Total costs of services	41,937,355	32,277,274	31,495,825	26,036,861

Lease expenses

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Depreciation of right-of-use assets	3,755,052	2,581,788	928,756	999,887
Finance expenses	976,608	609,868	307,319	326,384
Lease expenses	3,223,191	2,287,244	2,399,144	1,740,903
Total recognised costs/expenses	7,954,851	5,478,900	3,635,219	3,067,174

4. Labour costs

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Salaries	23,781,147	20,648,520	14,757,732	14,995,269
Costs of other social insurance	2,091,508	1,764,388	992,707	1,010,612
Costs of pension insurance	1,749,831	1,851,007	1,444,286	1,498,527
Meal allowance	982,326	843,456	670,036	676,459
Annual leave allowance	960,358	745,739	811,265	584,094
Transport allowance	947,788	761,650	465,796	452,383
Supplementary pension insurance	447,705	412,128	416,999	380,561
Other allowances and reimbursements	1,338,588	940,959	789,649	566,826
Total labour costs	32,299,251	27,967,847	20,348,470	20,164,731

Making use of measures taken by countries to contain the Covid-19 epidemic

In line with the measures taken by countries to contain the coronavirus (COVID-19) epidemic in the first three months, the Group made use of measures relating to the unconditional reimbursement of labour costs of EUR 13,169 (1-3 2021: EUR 303.031) recording their effects as a decrease in labour costs.

In line with the measures taken by the state to contain the coronavirus (COVID-19) epidemic in the first three months, the Company made use of measures relating to the unconditional reimbursement of labour costs of EUR 13,169 (1-3 2021: EUR 224.978) recording it as a decrease in labour costs.

5. Depreciation and amortisation

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Depreciation of property, plant and equipment	14,973,496	12,648,405	7,768,083	8,015,070
Depreciation of right-of-use assets	3,755,052	2,581,788	928,756	999,887
Amortisation of intangible assets	3,488,006	3,105,243	2,463,866	2,298,313
Depreciation of investment property	260,021	199,667	169,061	194,733
Total depreciation and amortisation	22,476,575	18,535,103	11,329,766	11,508,004

6. Other costs

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Disposals/impairment of assets	16,797	4,150,915	1,758	1,736,766
Environmental charges and charges unrelated to operations	1,344,035	1,288,438	736,203	833,474
Sponsorships and donations	535,350	439,493	402,312	397,023
Other costs	5,393,231	4,683,017	3,607,006	4,598,929
Total other costs	7,289,413	10,561,863	4,747,279	7,566,192

7. Other revenue

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Gain on derivatives	114,429,195	9,880,058	116,633,230	9,995,061
Gain on disposal of fixed assets	100,770	61,285	39,807	45,294
Compensation received from insurance companies	95,324	37,631	13,541	17,972
Compensation, lawsuits, contractual penalties received	73,487	55,455	9,962	41,744
Other income	1,338,167	1,155,276	724,777	873,006
Total other income	116,036,943	11,189,705	117,421,317	10,973,077

8. Other expenses

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Loss on derivatives	119,986,990	15,117,584	116,482,379	14,940,395
Other expenses	166,690	555,378	2,538	1,715
Total other expenses	120,153,680	15,672,962	116,484,917	14,942,110

9. Other financial income and expenses

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Foreign exchange differences	11,126,308	3,369,109	9,619,506	2,288,695
Gain on derivatives	7,134,771	1,514,226	7,134,771	1,514,226
Interest income	771,259	982,338	846,073	853,869
Loss allowances for rec. reversed and bad debt recovered	127,034	133,120	124,547	251,775
Other finance income	243	253,754	-	-
Total other finance income	19,159,615	6,252,547	17,724,897	4,908,565
Foreign exchange differences	(13,678,265)	(4,980,179)	(11,982,953)	(4,140,607)
Allowance for operating receivables	(4,191,517)	(1,051,333)	(3,295,360)	(334,978)
Interest expense	(3,150,505)	(2,012,088)	(2,717,358)	(1,959,820)
Loss on derivatives	(1,991,725)	(696,013)	(1,991,725)	(696,013)
Impairment of investments and of goodwill	-	-	-	(943,000)
Other finance expenses	(98,093)	(181,091)	(86,386)	(174,687)
Total other finance expenses	(23,110,105)	(8,920,704)	(20,073,782)	(8,249,105)
Net finance expense	(3,950,490)	(2,668,157)	(2,348,885)	(3,340,540)

10. Earnings per share

	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Net profit attributable to owners of the controlling company (in EUR)	29,148,235	25,672,677	12,508,351	9,744,472
Number of shares issued	2,086,301	2,086,301	2,086,301	2,086,301
Number of own shares at the beginning of the year	30,723	30,723	24,703	24,703
Number of own shares at the end of the year	30,723	30,723	24,703	24,703
Weighted average number of ordinary shares issued	2,055,578	2,055,578	2,061,598	2,061,598
Diluted average number of ordinary shares	2,055,578	2,055,578	2,061,598	2,061,598
Basic and diluted earnings per share attributable to owners of the controlling company (EUR/share)	14.18	12.49	6.07	4.73

Basic earnings per share are calculated by dividing the owners' net profit by the weighted average number of ordinary shares, excluding ordinary shares owned by the Group/Company. The Group and the Company have no potential dilutive ordinary shares, so the basic and diluted earnings per share are identical.

11. Intangible assets

Intangible assets of the Petrol Group

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
Cost						
As at 1 January 2021	44,755,993	122,117,146	105,895,156	7,005,570	364,959	280,138,824
New acquisitions as a result of control obtained	-	1,594,719	-	97,923	18,950	1,711,592
New acquisitions	17,255	30,730	-	524,801	168,566	741,352
Disposals/impairments	-	-	(870,342)	(6,646)	-	(876,988)
Transfers between asset categories	-	-	-	13,993	-	13,993
Transfer from ongoing investments	3,863,461	332,177	-	(4,195,638)	-	-
Foreign exchange differences	(23,194)	(31,633)	(56,754)	(184)	-	(111,765)
As at 31 March 2021	48,613,515	124,043,139	104,968,060	3,439,819	552,475	281,617,008
Accumulated amortisation						
As at 1 January 2021	(26,023,005)	(59,455,652)	(13,536)	-	-	(85,492,193)
New acquisitions as a result of control obtained	-	(1,246,868)	-	-	-	(1,246,868)
Amortisation	(1,785,766)	(1,317,709)	(1,768)	-	-	(3,105,243)
Foreign exchange differences	6,868	13,445	42	-	-	20,355
As at 31 March 2021	(27,801,903)	(62,006,784)	(15,262)	-	-	(89,823,949)
Net carrying amount as at 1 January 2021	18,732,988	62,661,494	105,881,620	7,005,570	364,959	194,646,631
Net carrying amount as at 31 March 2021	20,811,612	62,036,355	104,952,798	3,439,819	552,475	191,793,059

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
Cost						
As at 1 January 2022	60,786,152	135,753,954	253,652,998	4,485,643	291,102	454,969,849
New acquisitions	130,944	12,926	-	1,247,640	96,365	1,487,875
Disposals/impairments	(50,470)	-	-	(715)	(5,855)	(57,040)
Transfers between asset categories	(30,778)	-	-	(1,000,847)	-	(1,031,625)
Transfer from ongoing investments	1,759,534	510,035	-	(2,269,569)	-	-
Foreign exchange differences	(70,162)	(154,654)	(1,112,946)	720	-	(1,337,042)
As at 31 March 2022	62,525,220	136,122,261	252,540,052	2,462,872	381,612	454,032,017
Accumulated amortisation						
As at 1 January 2022	(36,992,140)	(72,628,511)	(19,303)	-	-	(109,639,954)
Amortisation	(1,717,740)	(1,768,956)	(1,310)	-	-	(3,488,006)
Disposals/impairments	50,470	-	-	-	-	50,470
Transfers between asset categories	6,891	-	-	-	-	6,891
Foreign exchange differences	39,488	92,077	134	-	-	131,699
As at 31 March 2022	(38,613,031)	(74,305,390)	(20,479)	-	-	(112,938,900)
Net carrying amount as at 1 January 2022	23,794,012	63,125,443	253,633,695	4,485,643	291,102	345,329,895
Net carrying amount as at 31 March 2022	23,912,189	61,816,871	252,519,573	2,462,872	381,612	341,093,117

Intangible assets of Petrol d.d., Ljubljana

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
Cost						
As at 1 January 2021	34,908,199	111,460,435	85,266,022	6,198,845	163,809	237,997,310
New acquisitions	-	-	-	191,287	83,570	274,857
Disposals/impairments	-	-	-	(6,646)	-	(6,646)
Transfer from ongoing investments	3,863,461	240,128	-	(4,103,590)	-	-
As at 31 March 2021	38,771,660	111,700,563	85,266,022	2,279,896	247,379	238,265,520
Accumulated amortisation						
As at 1 January 2021	(21,844,444)	(54,619,069)	-	-	-	(76,463,513)
Amortisation	(1,261,144)	(1,037,170)	-	-	-	(2,298,313)
As at 31 March 2021	(23,105,588)	(55,656,238)	-	-	-	(78,761,825)
Net carrying amount as at 1 January 2021	13,063,755	56,841,366	85,266,022	6,198,845	163,809	161,533,797
Net carrying amount as at 31 March 2021	15,666,073	56,044,325	85,266,022	2,279,896	247,379	159,503,695

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
Cost						
As at 1 January 2022	41,934,032	112,044,827	85,266,022	1,879,712	276,793	241,401,386
New acquisitions	-	1,406	-	1,139,378	96,365	1,237,149
Disposals	-	-	-	-	(5,855)	(5,855)
Transfer from ongoing investments	1,754,126	503,412	-	(2,257,538)	-	-
As at 31 March 2022	43,688,158	112,549,645	85,266,022	761,552	367,303	242,632,680
Accumulated amortisation						
As at 1 January 2022	(27,058,108)	(58,818,460)	-	-	-	(85,876,568)
Amortisation	(1,429,453)	(1,034,413)	-	-	-	(2,463,866)
As at 31 March 2022	(28,487,561)	(59,852,873)	-	-	-	(88,340,434)
Net carrying amount as at 1 January 2022	14,875,924	53,226,367	85,266,022	1,879,712	276,793	155,524,818
Net carrying amount as at 31 March 2022	15,200,597	52,696,772	85,266,022	761,552	367,303	154,292,246

12. Right to use of leased assets

Right to use of leased assets of the Petrol Group

(in EUR)	Right to use land	Right to use buildings	Right to use equipment	Total
Cost				
As at 1 January 2021	43,684,979	31,791,552	5,965,717	81,442,248
New acquisitions as a result of control obtained	-	76,277	120,037	196,314
New acquisitions	-	3,266,760	87,866	3,354,626
Disposals	-	(620,522)	(56,697)	(677,219)
Foreign exchange differences	(36,080)	(75,322)	(1,034)	(112,436)
As at 31 March 2021	43,648,899	34,438,745	6,115,889	84,203,533
Accumulated depreciation				
As at 1 January 2021	(6,197,450)	(9,367,210)	(3,475,982)	(19,040,642)
New acquisitions as a result of control obtained	-	(39,323)	(37,623)	(76,946)
Depreciation	(765,863)	(1,404,987)	(410,938)	(2,581,788)
Disposals	-	7,749	36,524	44,273
Foreign exchange differences	5,932	22,861	785	29,578
As at 31 March 2021	(6,957,381)	(10,780,910)	(3,887,234)	(21,625,525)
Net carrying amount as at 1 January 2021	37,487,529	22,424,342	2,489,735	62,401,606
Net carrying amount as at 31 March 2021	36,691,518	23,657,835	2,228,655	62,578,008

(in EUR)	Right to use land	Right to use buildings	Right to use equipment	Total
Cost				
As at 1 January 2022	67,588,414	68,591,211	6,766,803	142,946,428
New acquisitions	-	638,564	83,391	721,955
Disposals	-	(2,129,433)	(36,656)	(2,166,089)
Foreign exchange differences	(237,554)	(357,765)	(7,458)	(602,777)
As at 31 March 2022	67,350,860	66,742,577	6,806,080	140,899,517
Accumulated depreciation				
As at 1 January 2022	(14,413,611)	(21,033,533)	(4,877,772)	(40,324,916)
Depreciation	(1,258,676)	(2,209,980)	(286,396)	(3,755,052)
Disposals	-	567,366	33,165	600,531
Foreign exchange differences	56,521	116,406	3,470	176,397
As at 31 March 2022	(15,615,766)	(22,559,741)	(5,127,533)	(43,303,040)
Net carrying amount as at 1 January 2022	53,174,803	47,557,678	1,889,031	102,621,512
Net carrying amount as at 31 March 2022	51,735,094	44,182,836	1,678,547	97,596,477

Right to use of leased assets of Petrol d.d., Ljubljana

(in EUR)	Right to use land	Right to use buildings	Right to use equipment	Total
Cost				
As at 1 January 2021	32,218,878	930,231	5,338,513	38,487,622
New acquisitions	-	596,107	53,560	649,667
As at 31 March 2021	32,218,878	1,526,338	5,392,073	39,137,289
Accumulated depreciation				
As at 1 January 2021	(4,287,714)	(428,912)	(3,054,348)	(7,770,974)
Depreciation	(523,882)	(119,066)	(356,940)	(999,887)
As at 31 March 2021	(4,811,596)	(547,978)	(3,411,288)	(8,770,861)
Net carrying amount as at 1 January 2021	27,931,164	501,319	2,284,165	30,716,648
Net carrying amount as at 31 March 2021	27,407,282	978,361	1,980,785	30,366,427

(in EUR)	Right to use land	Right to use buildings	Right to use equipment	Total
Cost				
As at 1 January 2022	32,218,878	1,878,132	5,397,463	39,494,473
New acquisitions	-	1,023,737	333,763	1,357,500
Disposals	-	(91,031)	-	(91,031)
As at 31 March 2022	32,218,878	2,810,838	5,731,226	40,760,942
Accumulated depreciation				
As at 1 January 2022	(6,409,800)	(966,818)	(4,243,032)	(11,619,650)
Depreciation	(521,317)	(182,094)	(225,345)	(928,756)
Disposals	-	91,031	-	91,031
As at 31 March 2022	(6,931,117)	(1,057,881)	(4,468,377)	(12,457,375)
Net carrying amount as at 1 January 2022	25,809,078	911,314	1,154,431	27,874,823
Net carrying amount as at 31 March 2022	25,287,761	1,752,957	1,262,849	28,303,567

13. Property, plant and equipment

Property, plant and equipment of the Petrol Group

(in EUR)	Land	Buildings	Machinery	Equipment	Ongoing investments	Total
Cost						
As at 1 January 2021	218,294,380	746,545,163	4,955,314	347,831,422	51,259,979	1,368,886,258
New acquisitions as a result of control obtained	273,673	5,515,126	6,947,560	1,400	1,314,173	14,051,932
New acquisitions	-	26,797	414	544,878	10,508,404	11,080,493
Disposals/Impairments	(1,246,368)	(1,917,111)	(553)	(2,316,641)	(317,279)	(5,797,952)
Transfer between asset categories	-	307,567	(306,624)	(943)	(15,049)	(15,049)
Transfer from ongoing investments	1,322,857	2,425,931	3,443	3,484,143	(7,236,374)	-
Transfer to investment property	-	(324,580)	-	-	-	(324,580)
Transfer from investment property	-	815,144	-	-	-	815,144
Foreign exchange differences	(220,886)	(431,813)	(1,176)	(260,721)	(87,397)	(1,001,993)
As at 31 March 2021	218,423,656	752,962,224	11,598,378	349,283,538	55,426,457	1,387,694,253
Accumulated depreciation						
As at 1 January 2021	-	(448,659,582)	(2,403,660)	(207,615,395)	-	(658,678,637)
New acquisitions as a result of control obtained	-	(1,897,350)	(4,413,176)	-	-	(6,310,526)
Depreciation	-	(6,225,201)	(196,450)	(6,226,754)	-	(12,648,405)
Disposals/Impairments	-	702,282	553	1,620,936	-	2,323,771
Transfer between asset categories	-	(424)	-	424	-	-
Transfer from investment property	-	(281,466)	-	-	-	(281,466)
Foreign exchange differences	-	195,855	1,099	154,113	-	351,067
As at 31 March 2021	-	(456,165,886)	(7,011,634)	(212,066,676)	-	(675,244,196)
Net carrying amount as at 1 January 2021	218,294,380	297,885,581	2,551,654	140,216,027	51,259,979	710,207,621
Net carrying amount as at 31 March 2021	218,423,656	296,796,338	4,586,744	137,216,862	55,426,457	712,450,057

(in EUR)	Land	Buildings	Machinery	Equipment	Ongoing investments	Total
Cost						
As at 1 January 2022	247,096,244	866,962,764	13,216,106	388,021,185	60,437,164	1,575,733,463
New acquisitions	-	18,426	21,041	1,181,116	6,276,187	7,496,770
Disposals/impairments	(143,543)	(22,619)	(3,803)	(1,117,171)	-	(1,287,136)
Transfer between asset categories	106,699	213,143	(2,183,046)	1,019,680	296,550	(546,974)
Transfer from ongoing investments	348,020	3,307,770	11,117	34,223,318	(37,890,225)	-
Transfer to investment property	-	-	-	-	(1,294)	(1,294)
Foreign exchange differences	(637,094)	(1,566,326)	(15,249)	(874,696)	(116,363)	(3,209,728)
As at 31 March 2022	246,770,326	868,913,158	11,046,166	422,453,432	29,002,019	1,578,185,101
Accumulated depreciation						
As at 1 January 2022	-	(548,773,598)	(8,931,936)	(250,323,218)	-	(808,028,752)
Depreciation	-	(6,950,110)	(95,444)	(7,927,942)	-	(14,973,496)
Disposals/impairments	-	(15,288)	3,640	579,706	-	568,058
Transfer between asset categories	-	516,545	1,230,394	(96)	-	1,746,843
Foreign exchange differences	-	963,510	13,114	557,570	-	1,534,194
As at 31 March 2022	-	(554,258,941)	(7,780,232)	(257,113,980)	-	(819,153,153)
Net carrying amount as at 1 January 2022	247,096,244	318,189,166	4,284,170	137,697,967	60,437,164	767,704,711
Net carrying amount as at 31 March 2022	246,770,326	314,654,217	3,265,934	165,339,452	29,002,019	759,031,948

Property, plant and equipment of Petrol d.d., Ljubljana

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
Cost					
As at 1 January 2021	102,847,584	567,311,922	265,240,639	17,229,342	952,629,487
New acquisitions	-	-	-	2,271,518	2,271,518
Disposals/impairments	(146,368)	(1,474,120)	(2,006,953)	(317,279)	(3,944,720)
Transfers between asset categories	-	943	(943)	-	-
Transfer from ongoing investments	1,322,857	2,349,864	3,300,864	(6,973,585)	-
Transfer to investment property	-	-	-	(1,056)	(1,056)
As at 31 March 2021	104,024,073	568,188,609	266,533,607	12,208,940	950,955,228
Accumulated depreciation					
As at 1 January 2021	-	(400,599,347)	(172,605,036)	-	(573,204,383)
Depreciation	-	(3,941,008)	(4,074,063)	-	(8,015,070)
Disposals/impairments	-	703,089	1,479,329	-	2,182,418
Transfers between asset categories	-	(424)	424	-	-
As at 31 March 2021	-	(403,837,690)	(175,199,346)	-	(579,037,036)
Net carrying amount as at 1 January 2021	102,847,584	166,712,575	92,635,603	17,229,342	379,425,104
Net carrying amount as at 31 March 2021	104,024,073	164,350,919	91,334,261	12,208,940	371,918,193

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
Cost					
As at 1 January 2022	102,794,116	577,375,427	266,626,550	14,315,883	961,111,976
New acquisitions	-	-	-	4,001,335	4,001,335
Disposals/impairments	(143,543)	(8,104)	(318,253)	-	(469,900)
Transfers between asset categories	193,874	(22,316)	3,203	-	174,761
Transfer from ongoing investments	-	1,015,727	2,592,910	(3,608,637)	-
Transfer from investment property	-	-	-	(1,294)	(1,294)
As at 31 March 2022	102,844,447	578,360,734	268,904,410	14,707,287	964,816,878
Accumulated depreciation					
As at 1 January 2022	-	(415,142,838)	(179,706,981)	-	(594,849,819)
Depreciation	-	(3,827,833)	(3,940,250)	-	(7,768,083)
Disposals/impairments	-	6,536	277,368	-	283,904
Transfers between asset categories	-	470	(97)	-	373
As at 31 March 2022	-	(418,963,665)	(183,369,960)	-	(602,333,625)
Net carrying amount as at 1 January 2022	102,794,116	162,232,589	86,919,569	14,315,883	366,262,157
Net carrying amount as at 31 March 2022	102,844,447	159,397,069	85,534,450	14,707,287	362,483,253

14. Investment in subsidiaries

Investments in subsidiaries are eliminated from the Group's financial statements during consolidation.

(in EUR)	Petrol d.d. 2022	2021
As at 1 January	553,970,331	351,013,627
New acquisitions	62,600	22,450,000
Impairment	-	(943,000)
As at 31 March	554,032,932	372,520,627

15. Investments in jointly controlled entities

(in EUR)	The Petrol Group 2022	2021	Petrol d.d. 2022	2021
As at 1 January	704,501	562,016	210,000	233,000
Attributed profit/loss	539,462	103,731	-	-
Foreign exchange differences	-	(71)	-	-
As at 31 March	1,243,963	665,676	210,000	233,000

16. Investments in associates

(in EUR)	The Petrol Group 2022	2021	Petrol d.d. 2022	2021
As at 1 January	55,169,626	55,953,391	26,610,477	29,185,477
Attributed profit/loss	203,384	193,406	-	-
New acquisitions	-	483,993	-	-
Decrease	-	(2,550,560)	-	(2,575,000)
Foreign exchange differences	-	(7,585)	-	-
As at 31 March	55,373,010	54,072,645	26,610,477	26,610,477

17. Financial assets at fair value through other comprehensive income

(in EUR)	The Petrol Group 2022	2021	Petrol d.d. 2022	2021
As at 1 January	4,133,044	4,528,987	2,117,914	2,117,914
As at 31 March	4,133,044	4,528,987	2,117,914	2,117,914

18. Inventories

(in EUR)	The Petrol Group 31 March 2022	31 December 2021	Petrol d.d. 31 March 2022	31 December 2021
Spare parts and materials	3,223,727	9,990,768	2,376,426	2,393,989
Merchandise:	187,145,610	168,200,520	124,525,253	94,179,250
- fuel	134,574,981	109,844,027	90,697,622	64,589,822
- other petroleum products	105,881	98,160	93,875	95,334
- other merchandise	52,464,748	58,258,333	33,733,756	29,494,094
Total inventories	190,369,337	178,191,288	126,901,679	96,573,239

19. Current financial receivables

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Loans granted	5,846,093	19,371,415	20,884,534	16,427,850
Adjustment to the value of loans granted	(3,610,166)	(3,751,210)	(1,163,158)	(1,285,380)
Time deposits with banks (3 months to 1 year)	16,278	517,546	-	-
Interest receivables	304,043	293,088	5,732,248	5,424,514
Allowance for interest receivables	(260,981)	(262,147)	(4,430,232)	(4,385,935)
Total current financial receivables	2,295,267	16,168,692	21,023,392	16,181,049

20. Current operating receivables

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Trade receivables	772,083,230	692,538,011	506,143,052	409,335,386
Allowance for trade receivables	(60,164,783)	(57,553,745)	(33,282,716)	(31,098,414)
Operating receivables from state and other institutions	6,891,254	5,450,026	246,550	244,934
Operating interest receivables	1,506,725	1,364,467	2,320,685	2,335,796
Allowance for interest receivables	(1,329,159)	(1,192,941)	(939,802)	(943,204)
Receivables from insurance companies (loss events)	108,974	67,157	89,509	45,955
Other operating receivables	13,036,356	10,997,013	7,915,204	6,734,226
Allowance for other receivables	(1,644,378)	(1,326,808)	(1,126,615)	(824,788)
Total current operating receivables	730,488,219	650,343,180	481,365,867	385,829,891

21. Financial assets at fair value through profit or loss

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Assets arising from commodity swaps	47,415,911	34,337,157	47,299,973	34,231,810
Assets arising from interest rate swaps	2,676,432	329,734	2,676,432	329,734
Total financial assets at fair value through profit or loss	50,092,343	34,666,891	49,976,405	34,561,544

22. Financial assets at fair value through other comprehensive income

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Assets arising from interest rate swaps	9,875,903	1,420,486	8,106,888	1,078,208
Assets arising from commodity swaps	2,052,972	22,238	2,052,972	22,238
Bonds	334,077	334,077	-	-
Current balance of financial assets at fair value through other comprehensive income	12,262,952	1,776,801	10,159,860	1,100,446

23. Prepayments and other assets

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Prepayments and collaterals	123,097,329	61,569,731	36,813,917	34,494,898
Prepaid licences, subscriptions, specialised literature, etc.	3,869,549	3,573,415	2,768,042	2,841,366
Prepaid insurance premiums	892,959	1,332,648	549,509	971,052
Other deferred costs	23,430,333	19,242,965	16,426,175	12,421,468
Total prepayments and other assets	151,290,170	85,718,759	56,557,643	50,728,784

24. Financial liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Current financial liabilities				
Bank loans	70,928,423	61,575,727	70,725,885	61,575,727
Liabilities arising from commodity swaps	8,038,623	116,341	8,038,623	116,341
Liabilities to banks arising from forward contracts	2,169,148	287,484	2,169,148	287,484
Liabilities to banks arising from interest rate swaps	541,116	2,503,965	541,116	2,503,965
Bonds issued	317,036	246,928	317,036	246,928
Other loans and financial liabilities	1,087,360	1,228,002	184,121,222	207,755,317
	83,081,706	65,958,447	265,913,030	272,485,762
Non-current financial liabilities				
Bank loans	383,796,873	389,623,422	333,850,893	339,746,359
Bonds issued	43,811,258	43,809,402	43,811,258	43,809,402
Loans obtained from other companies	380,523	380,171	21,000,000	21,000,000
	427,988,654	433,812,995	398,662,151	404,555,761
Total financial liabilities	511,070,360	499,771,442	664,575,181	677,041,523

25. Lease liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Non-current lease liabilities	89,887,917	92,991,633	27,244,976	26,735,533
Current lease liabilities	12,065,754	13,768,130	2,717,596	2,717,596
Total lease liabilities	101,953,671	106,759,763	29,962,572	29,453,129

26. Current operating liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Trade liabilities	575,039,465	549,530,229	426,065,900	349,637,848
Excise duty liabilities	77,403,885	61,892,936	53,801,794	44,570,278
Value added tax liabilities	64,813,989	44,535,860	28,134,045	22,003,518
Liabilities for environmental charges and contributions	11,854,274	8,503,921	11,322,204	8,476,548
Liabilities to employees	8,859,982	9,130,848	5,186,316	5,709,649
Liabilities arising from interests acquired	6,597,693	6,597,693	6,100,000	6,100,000
Other liabilities to the state and other state institutions	5,121,480	3,758,297	2,496,307	1,181,150
Social security contribution liabilities	1,645,850	1,742,750	741,344	815,529
Import duty liabilities	958,619	596,054	-	-
Liabilities associated with the allocation of profit or loss	774,849	775,812	774,849	775,812
Other liabilities	1,578,507	3,392,213	1,479,163	3,237,600
Total current operating and other liabilities	754,648,593	690,456,613	536,101,922	442,507,932

27. Contract liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Short-term prepayments and collaterals given	10,919,898	12,053,171	13,467,030	5,973,801
Deferred prepaid card revenue	1,906,124	2,611,155	1,939,205	1,932,037
Deferred revenue from rebates and discounts granted	774,582	164,018	-	-
Total contract liabilities	13,600,604	14,828,344	15,406,235	7,905,838

28. Other liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Accrued annual leave expenses	3,180,882	3,229,710	1,755,565	1,755,565
Accrued expenses for tanker demurrage	512,194	502,794	512,194	502,794
Accrued concession fee costs	504,161	433,122	320,004	316,567
Accrued motorway site lease payments	183,024	592,868	183,024	592,868
Other accrued costs	59,727,311	50,674,221	58,017,021	44,592,856
Other deferred revenue	3,719,206	3,185,584	3,557,580	3,093,276
Total other liabilities	67,826,778	58,618,299	64,345,388	50,853,926

Financial instruments and risks

This chapter presents disclosures about financial instruments and risks. Risk management is explained in the interim report, in the chapter *Risk management*.

The impact of the Corona virus pandemic (COVID-19) on the Petrol Group's operations and risk management is reported also in Chapter *The Petrol Group's operations in the first three months of 2022*.

Credit risk

In the first three months of the year 2022 the Group/Company continued to actively monitor the balances of trade receivables and to apply strict terms on which sales on open accounts is approved, requiring an adequate range of high-quality collaterals and pursuing active collection of receivables.

Maximum exposure to credit risk represents the carrying amount of financial assets which was the following as at 31 March 2022:

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Financial assets at fair value through other comprehensive income	16,395,996	5,909,845	12,277,774	3,218,360
Non-current financial receivables	951,944	991,831	83,135,644	83,299,185
Non-current operating receivables	7,833,957	8,228,771	7,815,749	8,219,107
Contract assets	24,563,421	3,338,893	26,570,942	7,604,649
Current financial receivables	2,295,267	16,168,692	21,023,392	16,181,049
Current operating receivables (excluding rec. from the state)	723,596,965	644,893,154	481,119,317	385,584,957
Financial assets at fair value through profit or loss	50,092,343	34,666,891	49,976,405	34,561,544
Cash and cash equivalents	52,041,842	100,226,890	13,348,462	57,567,397
Total assets	877,771,735	814,424,967	695,267,685	596,236,248

The category that was most exposed to credit risk on the reporting date were current operating receivables.

The Group's short-term operating receivables by maturity:

(in EUR)	Breakdown by maturity					Total
	Not yet due	Up to 30 days overdue	Including 30 to 60 days overdue	Including 60 to 90 days overdue	More than 90 days overdue	
Trade receivables	572,251,531	51,421,340	7,287,064	1,296,628	2,727,703	634,984,266
Interest receivables	72,904	16,001	12,008	18,108	52,505	171,526
Other receivables (excluding receivables from the state)	9,234,027	371,413	-	-	131,922	9,737,362
Total as at 31 December 2021	581,558,462	51,808,754	7,299,072	1,314,736	2,912,130	644,893,154
(in EUR)	Breakdown by maturity					Total
	Not yet due	Up to 30 days overdue	Including 30 to 60 days overdue	Including 60 to 90 days overdue	More than 90 days overdue	
Trade receivables	661,944,350	39,701,926	5,653,884	1,993,349	2,624,938	711,918,447
Interest receivables	51,076	18,857	12,182	13,891	81,560	177,566
Other receivables (excluding receivables from the state)	10,841,585	575,619	-	-	83,748	11,500,952
Total as at 31 March 2022	672,837,011	40,296,402	5,666,066	2,007,240	2,790,246	723,596,965

The Company's short-term operating receivables by maturity:

(in EUR)	Breakdown by maturity					Total
	Not yet due	Up to 30 days overdue	Including 30 to 60 days overdue	Including 60 to 90 days overdue	More than 90 days overdue	
Trade receivables	342,546,756	20,534,767	3,623,504	814,462	10,717,483	378,236,972
Interest receivables	-	-	-	-	1,392,592	1,392,592
Other receivables (excluding receivables from the state)	5,818,887	136,506	-	-	-	5,955,393
Total as at 31 December 2021	348,365,643	20,671,273	3,623,504	814,462	12,110,075	385,584,957
(in EUR)	Breakdown by maturity					Total
	Not yet due	Up to 30 days overdue	Including 30 to 60 days overdue	Including 60 to 90 days overdue	More than 90 days overdue	
Trade receivables	436,400,690	21,960,653	2,567,307	1,508,673	10,423,013	472,860,336
Interest receivables	-	-	-	-	1,380,883	1,380,883
Other receivables (excluding receivables from the state)	6,878,098	-	-	-	-	6,878,098
Total as at 31 March 2022	443,278,788	21,960,653	2,567,307	1,508,673	11,803,896	481,119,317

The Group/Company measures the degree of receivables management using day's sales outstanding.

(in days)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-12 2021	1-3 2022	1-12 2021
Days sales outstanding				
Contract days	31	36	28	31
Overdue receivables in days	3	4	2	3
Total days sales outstanding	34	40	30	34

Liquidity risk

Due to the uncertainties we faced during the epidemic, regulation of prices for some petroleum products in Slovenia as well as some other southeast Europe markets and due to geopolitical risks associated with the escalation of the Russian-Ukrainian conflict and its consequences the Petrol Group paid special attention to managing liquidity risk.

Despite difficult conditions, our key goal remains that the Group/Company can successfully manage liquidity risks according to Standard & Poor's guidelines.

The Group/Company manages liquidity risks through:

- sustainable debt level (measured as the net debt to EBITDA ratio) as laid down in the strategy and business plan,
- ensuring adequate structural liquidity in accordance with S&P methodology,
- standardised and centralised treasury management at Group level,
- annual planning of funds by the Petrol Group,
- daily planning and cash flow simulations for the parent company and its subsidiaries, two or three months in advance, which is currently an extremely important tool,
- unified approach to banks in local and foreign financial markets,
- computer-assisted system for the management of cash flows of the parent company and all its subsidiaries,
- centralised collection of available cash through cash pooling.

Successful cash flow planning or estimating the decrease in inflows due to the decrease in sales, due to the epidemic and pricing regulation of certain petroleum products in Slovenia and other southeast Europe markets where the Group is present, enabled us accurate and good liquidity forecast as well as optimal cash flow management at the Group level. A strong liquidity position also allows us to settle all liabilities on the due date.

In addition, the Group/Company has credit lines at its disposal both in Slovenia and abroad, the size of which enables the Group to meet all its due liabilities at any given moment.

The majority of financial liabilities arising from long-term and short-term loans are held by the parent company, which also generates the majority of revenue.

The Group's liabilities as at 31 December 2021 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Non-current financial liabilities	433,812,995	449,991,568	-	-	193,267,964	256,723,604
Non-current lease liabilities	92,991,633	102,794,713	-	-	50,827,716	51,966,997
Non-current operating liabilities (excluding other liabilities)	5,024,000	5,024,000	-	-	5,024,000	-
Current financial liabilities	65,958,447	71,080,903	51,230,909	19,849,994	-	-
Current lease liabilities	13,768,130	19,086,349	9,565,561	9,520,788	-	-
Liabilities arising from commodity forward contracts*	-	694,778,063	362,868,525	280,035,717	51,873,821	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	560,295,947	560,295,947	554,989,616	5,306,331	-	-
As at 31 December 2021	1,171,851,152	1,903,051,543	978,654,611	314,712,830	300,993,501	308,690,601

The Group's liabilities as at 31 March 2022 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Non-current financial liabilities	427,988,654	440,698,317	-	-	194,202,947	246,495,370
Non-current lease liabilities	89,887,917	103,131,112	-	-	50,887,208	52,243,904
Non-current operating liabilities (excluding other liabilities)	5,024,000	5,024,000	-	-	5,024,000	-
Current financial liabilities	83,081,706	88,237,924	73,590,994	14,646,930	-	-
Current lease liabilities	12,065,754	14,127,566	6,631,416	7,496,150	-	-
Liabilities arising from commodity forward contracts*	-	723,400,305	405,906,196	204,875,216	112,618,893	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	583,990,514	583,990,514	578,807,088	5,183,426	-	-
As at 31 March 2022	1,202,038,545	1,958,609,738	1,064,935,694	232,201,722	362,733,048	298,739,274

The Company's liabilities as at 31 December 2021 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Non-current financial liabilities	404,555,761	419,129,334	-	-	141,756,803	277,372,531
Non-current lease liabilities	26,735,533	36,574,884	-	-	12,633,019	23,941,865
Non-current operating liabilities (excluding other liabilities)	5,024,000	5,024,000	-	-	5,024,000	-
Current financial liabilities	272,485,762	279,304,500	106,105,302	173,199,198	-	-
Current lease liabilities	2,717,596	3,901,293	2,111,294	1,789,999	-	-
Liabilities arising from commodity forward contracts*	-	692,870,222	360,984,978	280,011,423	51,873,821	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	359,751,260	359,751,260	354,459,153	5,292,107	-	-
Contingent liabilities for guarantees issued**	-	317,210,161	317,210,161	-	-	-
As at 31 December 2021	1,071,269,912	2,113,765,654	1,140,870,888	460,292,727	211,287,643	301,314,396

The Company's liabilities as at 31 March 2022 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	More than 5 years
Non-current financial liabilities	398,662,151	411,413,814	-	-	144,270,064	267,143,750
Non-current lease liabilities	27,244,976	36,760,180	-	-	13,523,392	23,236,788
Non-current operating liabilities (excluding other liabilities)	5,024,000	5,024,000	-	-	5,024,000	-
Current financial liabilities	265,913,030	273,460,097	105,109,598	168,350,499	-	-
Current lease liabilities	2,717,596	3,981,772	2,094,466	1,887,306	-	-
Liabilities arising from commodity forward contracts*	-	723,135,493	405,653,533	204,863,067	112,618,893	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	434,419,912	434,419,912	429,309,589	5,110,323	-	-
Contingent liabilities for guarantees issued**	-	314,302,315	314,302,315	-	-	-
As at 31 March 2022	1,133,981,665	2,202,497,583	1,256,469,501	380,211,195	275,436,349	290,380,538

*Liabilities arising from commodity forward contracts entered into for purchasing purposes represent contractual cash outflows based on these contracts. At the same time, the Group/Company will receive corresponding payments based on offsetting commodity contracts entered into for selling purposes.

** A maximum amount of contingent liabilities is allocated to the period in which the Company can be requested to make a payment.

Foreign exchange risk

As far as foreign exchange risks are concerned, the Group/Company is mostly exposed to the risk of changes in the EUR/USD exchange rate. Petroleum products are generally purchased in US dollars and sold in local currencies.

The Group hedges against the exposure to changes in the EUR/USD exchange rate by fixing the exchange rate in order to secure the margin. The hedging instruments used in this case are forward contracts entered into with banks.

Given that forward contracts for hedging against foreign exchange risks are entered into with first-class Slovene banks, the Group/Company considers the counterparty default risk as minimal.

The Group is exposed to foreign exchange risks also due to its presence in South-eastern Europe. Considering the low volatility of local currency exchange rates in South-eastern markets and the relatively low exposure, the Group/Company believes it is not exposed to significant risks in this area. To control these risks, we rely on natural hedging to the largest possible extent.

In the first three months of 2022, the Group/Company was also exposed to certain other currencies (RON) and used forward contracts entered into with banks as a hedging instrument.

Exposure to the exchange rates on other markets where the Group/Company is present with its companies is either smaller or their rates against the euro are significantly less volatile. We estimate that the change in the exchange rate would not have a significant impact on the operating profit.

The Group/Company regularly monitors its open currency position and sensitivity based on the VaR method for all currencies to which it is exposed.

An unfavourable change in any currency pair by 10 percent would decrease net profit by a maximum of EUR 2,097,453, with the EUR/BAM currency pair being treated as fixed.

Price and volumetric risk

The Group/Company is exposed to price and volumetric risks deriving from energy commodities. The Group/Company manages price and volumetric risks primarily by aligning purchases and sales of energy commodities in terms of quantities as well as purchase and sales conditions, thus securing its margin. Depending on the business model for each energy commodity, appropriate limit systems are in place that limit exposure to price and volumetric risks.

The Group/Company hedges energy commodity prices primarily by using derivatives. Partners in this area include global financial institutions and banks or suppliers of goods. The Group/Company considers the counterparty default risk as minimal.

On 14 March 2022, the Decree on the pricing of certain petroleum products was adopted, setting the maximum permitted retail price for NMB-95 petrol and diesel until 15 April 2022. It was later supplemented on 31 March 2022 to include the maximum permitted wholesale price for NMB-95 petrol and diesel, and at the same time extend its the validity until 30 April 2022. As part of the volumetric and price risk management, adjustments to retail and wholesale plans were regularly made and appropriate financial hedging transactions were concluded. The Decree did not affect the price and volumetric risk management system itself, but it did affect the sale of petroleum products. The government is expected to settle the loss incurred during the relevant period affected by the Decree which limited the selling prices of petroleum products.

Interest rate risk

The source of interest rate risks are loans with a floating interest rate that are mostly EURIBOR based.

In the first three months of 2022, the Group/Company continued to monitor exposure to changes in net interest expense in the case of interest rate changes.

The exposure to interest rate risks is hedged using the following instruments:

- partly through ongoing operations, the Group's/Company's interest rate on overdue operating receivables being EURIBOR-based,
- partly through interest rate swaps and
- funding with a fixed interest rate.

The Group/Company uses hedge accounting on interest rate swaps. Hedged items and hedging instruments represent an effective hedging relationship, which is why interest rate risk hedging outcomes are recognised directly in equity.

Capital Adequacy Management

The main purpose of capital adequacy management is to ensure the best possible financial stability, solvency and maximum shareholder value. The Group/Company achieves this also through stable dividend pay-out policy.

Testifying to our financial stability are the »BBB-« credit rating received from S&P at the end of June 2014 and the successful international issuance of eurobonds worth a total of EUR 265 million, which were fully repaid in 2019. On 9 April 2021, Standard & Poor's Ratings Services reaffirmed the »BBB-« long-term credit rating and the »A-3« short-term credit rating of Petrol d.d., Ljubljana, also reaffirming the »stable« credit rating outlook.

In the first three months of 2022 the Petrol Group continued to pursue its strategic orientation in the area of financial debt and to maintain the net debt to equity ratio at the end of 2021 level through good operating performance.

Carrying amount and fair value of financial instruments

(in EUR)	The Petrol Group			
	31 March 2022 Carrying amount	Fair value	31 December 2021 Carrying amount	Fair value
Non-derivative financial assets at fair value				
Financial assets at fair value through other comprehensive income	16,395,996	16,395,996	5,909,845	5,909,845
Non-derivative financial assets at amortised cost				
Fin. receivables (excluding derivative financial instruments)	3,247,211	3,247,211	17,160,523	17,160,523
Operating receivables (excluding receivables from the state)	731,430,922	731,430,922	653,121,925	653,121,925
Contract assets	24,563,421	24,563,421	3,338,893	3,338,893
Cash and cash equivalents	52,041,842	52,041,842	100,226,890	100,226,890
Total non-derivative financial assets	827,679,392	827,679,392	779,758,076	779,758,076
Non-derivative financial liabilities at amortised cost				
Bank loans and other financial liabilities (excluding derivative fin.instr.)	(500,321,473)	(500,321,473)	(496,863,652)	(496,863,652)
Lease liabilities	(101,953,671)	(101,953,671)	(106,759,763)	(106,759,763)
Operating liabilities (excluding other non-current liabilities and current liabilities to the state, employees and arising from advance payments)	(589,014,514)	(589,014,514)	(565,319,947)	(565,319,947)
Total non-derivative financial liabilities	(1,191,289,658)	(1,191,289,658)	(1,168,943,362)	(1,168,943,362)
Derivative financial instruments at fair value				
Derivative financial instruments (assets)	50,092,343	50,092,343	34,666,891	34,666,891
Derivative financial instruments (liabilities)	(10,748,887)	(10,748,887)	(2,907,790)	(2,907,790)
Total derivative financial instruments	39,343,456	39,343,456	31,759,101	31,759,101

(in EUR)	Petrol d.d.			
	31 March 2022 Carrying amount	Fair value	31 December 2021 Carrying amount	Fair value
Non-derivative financial assets at fair value				
Financial assets at fair value through other comprehensive income	12,277,774	12,277,774	3,218,360	3,218,360
Non-derivative financial assets at amortised cost				
Fin. receivables (excluding derivative financial instruments)	104,159,036	104,159,036	99,480,234	99,480,234
Operating receivables (excluding receivables from the state)	488,935,066	488,935,066	393,804,064	393,804,064
Contract assets	26,570,942	26,570,942	7,604,649	7,604,649
Cash and cash equivalents	13,348,462	13,348,462	57,567,397	57,567,397
Total non-derivative financial assets	645,291,280	645,291,280	561,674,704	561,674,704
Non-derivative financial liabilities at amortised cost				
Bank loans and other financial liabilities (excluding derivative fin.instr.)	(653,826,294)	(653,826,294)	(674,133,733)	(674,133,733)
Lease liabilities	(29,962,572)	(29,962,572)	(29,453,129)	(29,453,129)
Operating liabilities (excluding other non-current liabilities and current liabilities to the state, employees and arising from advance payments)	(439,443,912)	(439,443,912)	(364,775,260)	(364,775,260)
Total non-derivative financial liabilities	(1,123,232,778)	(1,123,232,778)	(1,068,362,122)	(1,068,362,122)
Derivative financial instruments at fair value				
Derivative financial instruments (assets)	49,976,405	49,976,405	34,561,544	34,561,544
Derivative financial instruments (liabilities)	(10,748,887)	(10,748,887)	(2,907,790)	(2,907,790)
Total derivative financial instruments	39,227,518	39,227,518	31,653,754	31,653,754

Presentation of financial assets and liabilities disclosed at fair value according to the fair value hierarchy

The Petrol Group Fair value of assets

(in EUR)	31 March 2022				31 December 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	50,092,343	-	-	50,092,343	34,666,891	-	-	34,666,891
Financial assets at fair value through other comprehensive income	11,928,875	-	4,467,121	16,395,996	1,442,724	-	4,467,121	5,909,845
Total assets at fair value	62,021,218	-	4,467,121	66,488,339	36,109,615	-	4,467,121	40,576,736
Non-current financial receivables	-	-	951,944	951,944	-	-	991,831	991,831
Current financial receivables	-	-	2,295,267	2,295,267	-	-	16,168,692	16,168,692
Non-current operating receivables	-	-	7,833,957	7,833,957	-	-	8,228,771	8,228,771
Current operating receivables (excluding rec. from the state)	-	-	723,596,965	723,596,965	-	-	644,893,154	644,893,154
Contract assets	-	-	24,563,421	24,563,421	-	-	3,338,893	3,338,893
Cash and cash equivalents	-	-	52,041,842	52,041,842	-	-	100,226,890	100,226,890
Total assets with fair value disclosure	-	-	811,283,396	811,283,396	-	-	773,848,231	773,848,231
Total assets	62,021,218	-	815,750,517	877,771,735	36,109,615	-	778,315,352	814,424,967

Fair value of liabilities

(in EUR)	31 March 2022				31 December 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss	(10,748,887)	-	-	(10,748,887)	(2,907,790)	-	-	(2,907,790)
Total liabilities at fair value	(10,748,887)	-	-	(10,748,887)	(2,907,790)	-	-	(2,907,790)
Non-current financial liabilities	-	-	(427,988,654)	(427,988,654)	-	-	(433,812,995)	(433,812,995)
Non-current lease liabilities	-	-	(89,887,917)	(89,887,917)	-	-	(92,991,633)	(92,991,633)
Current financial liabilities (excluding liabilities at fair value)	-	-	(72,332,819)	(72,332,819)	-	-	(63,050,657)	(63,050,657)
Current lease liabilities	-	-	(12,065,754)	(12,065,754)	-	-	(13,768,130)	(13,768,130)
Non-current operating liabilities (excluding other liabilities)	-	-	(5,024,000)	(5,024,000)	-	-	(5,024,000)	(5,024,000)
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	-	-	(583,990,514)	(583,990,514)	-	-	(560,295,947)	(560,295,947)
Total liabilities with fair value disclosure	-	-	(1,191,289,658)	(1,191,289,658)	-	-	(1,168,943,362)	(1,168,943,362)
Total liabilities	(10,748,887)	-	(1,191,289,658)	(1,202,038,545)	(2,907,790)	-	(1,168,943,362)	(1,171,851,152)

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Fair value of assets

(in EUR)	31 March 2022				31 December 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	49,976,405	-	-	49,976,405	34,561,544	-	-	34,561,544
Financial assets at fair value through other comprehensive income	10,159,860	-	2,117,914	12,277,774	1,100,446	-	2,117,914	3,218,360
Total assets at fair value	60,136,265	-	2,117,914	62,254,179	35,661,990	-	2,117,914	37,779,904
Non-current financial receivables	-	-	83,135,644	83,135,644	-	-	83,299,185	83,299,185
Current financial receivables	-	-	21,023,392	21,023,392	-	-	16,181,049	16,181,049
Non-current operating receivables	-	-	7,815,749	7,815,749	-	-	8,219,107	8,219,107
Current operating receivables (excluding rec. from the state)	-	-	481,119,317	481,119,317	-	-	385,584,957	385,584,957
Contract assets	-	-	26,570,942	26,570,942	-	-	7,604,649	7,604,649
Cash and cash equivalents	-	-	13,348,462	13,348,462	-	-	57,567,397	57,567,397
Total assets with fair value disclosure	-	-	633,013,506	633,013,506	-	-	558,456,344	558,456,344
Total assets	60,136,265	-	635,131,420	695,267,685	35,661,990	-	560,574,258	596,236,248

Fair value of liabilities

(in EUR)	31 March 2022				31 December 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss	(10,748,887)	-	-	(10,748,887)	(2,907,790)	-	-	(2,907,790)
Total liabilities at fair value	(10,748,887)	-	-	(10,748,887)	(2,907,790)	-	-	(2,907,790)
Non-current financial liabilities	-	-	(398,662,151)	(398,662,151)	-	-	(404,555,761)	(404,555,761)
Non-current lease liabilities	-	-	(27,244,976)	(27,244,976)	-	-	(26,735,533)	(26,735,533)
Current financial liabilities (excluding liabilities at fair value)	-	-	(255,164,143)	(255,164,143)	-	-	(269,577,972)	(269,577,972)
Current lease liabilities	-	-	(2,717,596)	(2,717,596)	-	-	(2,717,596)	(2,717,596)
Non-current operating liabilities (excluding other liabilities)	-	-	(5,024,000)	(5,024,000)	-	-	(5,024,000)	(5,024,000)
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	-	-	(434,419,912)	(434,419,912)	-	-	(359,751,260)	(359,751,260)
Total liabilities with fair value disclosure	-	-	(1,123,232,778)	(1,123,232,778)	-	-	(1,068,362,122)	(1,068,362,122)
Total liabilities	(10,748,887)	-	(1,123,232,778)	(1,133,981,665)	(2,907,790)	-	(1,068,362,122)	(1,071,269,912)

Changes in Level 3 assets measured at fair value

(in EUR)	The Petrol Group		Petrol d.d.	
	2022	2021	2022	2021
As at 1 January	4,467,121	4,528,987	2,117,914	2,117,914
As at 31 March	4,467,121	4,528,987	2,117,914	2,117,914

Related party transactions

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2022	1-3 2021	1-3 2022	1-3 2021
Sales revenue:				
Subsidiaries	-	-	203,041,056	57,842,023
Jointly controlled entities	1,313,451	258,028	4,992	5,096
Associates	9,389	9,407	9,389	9,407
Cost of goods sold:				
Subsidiaries	-	-	53,631,377	16,516,874
Jointly controlled entities	36,334	47,991	-	-
Costs of materials:				
Subsidiaries	-	-	347,324	95,657
Jointly controlled entities	2,598	820	-	-
Costs of services:				
Subsidiaries	-	-	173,775	87,645
Jointly controlled entities	555	-	-	-
Impairment of goodwill:				
Subsidiaries	-	870,342	-	-
Gain on derivatives:				
Subsidiaries	-	-	695,931	-
Loss on derivatives:				
Subsidiaries	-	-	1,658,726	-
Finance income from interests in Group companies:				
Jointly controlled entities	539,462	103,731	-	-
Associates	203,384	193,406	-	-
Finance income from interest:				
Subsidiaries	-	-	273,671	156,274
Jointly controlled entities	-	189	-	189
Other finance income:				
Subsidiaries	-	-	31,483	12,697
Jointly controlled entities	-	122	-	122
Finance expenses due to impairment of investments:				
Subsidiaries	-	-	-	943,000
Finance expenses for interest:				
Subsidiaries	-	-	611,844	470,216

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Investments in Group companies:				
Subsidiaries	-	-	554,032,932	553,970,331
Jointly controlled entities	1,243,963	704,501	210,000	210,000
Associates	55,373,010	55,169,626	26,610,477	26,610,477
Non-current financial receivables:				
Subsidiaries	-	-	83,121,039	83,233,789
Current operating receivables:				
Subsidiaries	-	-	78,365,926	56,193,756
Jointly controlled entities	1,092,351	684,743	5,638	3,900
Associates	10,998	842	10,998	842
Current financial receivables:				
Subsidiaries	-	-	19,652,144	14,741,616
Contract assets:				
Subsidiaries	-	-	3,371,676	5,559,143
Non-current financial liabilities:				
Subsidiaries	-	-	21,000,000	21,000,000
Current financial liabilities:				
Subsidiaries	-	-	183,923,089	207,418,493
Jointly controlled entities	300,000	300,000	300,000	300,000
Current operating liabilities:				
Subsidiaries	-	-	9,741,604	17,420,542
Jointly controlled entities	431,183	-	431,183	-
Contract liabilities				
Subsidiaries	-	-	8,008,734	9,241
Other liabilities				
Subsidiaries	-	-	10,640,758	7,523,646

Contingent liabilities

Contingent liabilities for guarantees issued

(in EUR)	Petrol d.d.		Petrol d.d.	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Guarantee issued to:	Value of guarantee issued		Guarantee amount used	
Petrol d.o.o.	136,045,959	139,287,883	82,868,642	79,389,205
Vjetroelektrarna Ljubač d.o.o.	23,792,130	23,792,130	-	-
Geoplin d.o.o. Ljubljana	21,000,000	21,000,000	-	-
E 3, d.o.o.	15,000,000	15,000,000	2,821,062	4,781,973
Petrol BH Oil Company d.o.o. Sarajevo	4,466,135	4,466,135	155,878	67,104
Petrol d.o.o. Beograd	3,500,000	3,500,000	80,709	80,749
Petrol Trade Handelsgesellschaft m.b.H.	3,000,000	3,000,000	1,800,000	1,800,000
Petrol Crna Gora MNE d.o.o.	420,000	420,000	106,491	189,941
Aquasystems d.o.o.	373,318	373,318	373,318	373,318
Total	207,597,542	210,839,466	88,206,100	86,682,290
Bills of exchange issued as security	100,415,840	99,585,169	100,415,840	99,585,169
Other guarantees	6,288,933	6,785,526	6,288,933	6,785,526
Total contingent liabilities for guarantees issued	314,302,315	317,210,161	194,910,873	193,052,985

The value of a guarantee issued represents the maximum value of the guarantee issued, whereas the guarantee amount used represents a value corresponding to a company's liability for which the guarantee has been issued.

Contingent liabilities for lawsuits

The total value of lawsuits against the Company as defendant and debtor totals EUR 935,229 (31 December 2021: EUR 919,435). The Company's management estimates that there is a possibility that some of these lawsuits will be lost. As a result, the Company set aside long-term provisions, which stood at EUR 521,500 as at 31 March 2022 (31 December 2021: EUR 493,383).

The total value of lawsuits against the Group as defendant and debtor totals EUR 3,317,968 (31 December 2021: EUR 1,465,113). The Group's management estimates that there is a possibility that some of these lawsuits will be lost. As a result, the Group set aside long-term provisions, which stood at EUR 1,051,135 as at 31 March 2022 (31 December 2021: EUR 956,347).

Events after the reporting date

The Decree Determining the Prices of Certain Petroleum Products, which was adopted on 14 March 2022 for retail prices of motor fuels in Slovenia and amended on 31 March 2022 to include wholesale prices of motor fuels, ended on 1 May 2022; the prices of motor fuels are again market-determined. The Government of the Republic of Slovenia extended price regulation for extra light heating oil by another month, that is, until 21 May 2022. The Decree that set the maximum margin at EUR 0.0600 per litre has been in effect since 20 October 2021.

On 10 May 2022, the Government of the Republic of Slovenia adopted the Decree Determining the Prices of Certain Petroleum Products, setting the maximum permitted retail and wholesale prices of fuel products. The maximum permitted retail price of NMB-95 petrol is EUR 1.560 per litre and diesel EUR 1.668 per litre. The maximum permitted wholesale price of NMB-95 petrol is EUR 1.540 per litre and diesel EUR 1.648 per litre. The Decree entered into effect on 11 May 2022 and shall apply for three months, until 10 August 2022 inclusive. Pursuant to the Decree, companies are prohibited from stopping to sell commodities because of the measure which has set the maximum permitted retail and wholesale prices of petroleum products. To this end, the Government will, after the end of the measure, set an appropriate amount as compensation for the companies which will have suffered substantial loss due to this measure during its validity (available at <https://www.gov.si/novice/2022-05-10-ponovno-uvajamo-najvisje-dovoljene-cene-neosvincenega-95-oktanskega-bencina-in-dizelskega-goriva/>).

Petrol d.d., Ljubljana, addressed a claim to the government for reimbursement of EUR 51.3 million for the loss resulting from the regulation of the final selling price in the period between 15 March and 30 April 2022. The part of the claim referring to the period of January–March 2022 has amounted to EUR 18.4 million. This claim is not included in the financial statements of Petrol d.d., Ljubljana, for the period of January–March 2022.

There were no events after the reporting date that would significantly affect the financial statements for the first three months of year 2022.

Appendix 1: Organisational structure of the Petrol Group

The Petrol Group, 31 March 2022	Fuels and fuel products	Merchandise and services	Energy and solutions	Other
The parent company				
Petrol d.d., Ljubljana	•	•	•	•
Subsidiaries				
Petrol d.o.o. (100%)	•	•	•	•
Petrol javna rasvjeta d.o.o. (100%)			•	
Adria-Plin d.o.o. (75%)	•			
Crodux Derivati Dva d.o.o. (100%)	•	•		
Petrol BH Oil Company d.o.o. Sarajevo (100%)	•	•	•	
Petrol d.o.o. Beograd (100%)	•	•	•	
Petrol LUMENNIS PB JO d.o.o. Beograd (100%)			•	
Petrol LUMENNIS VS d.o.o. Beograd (100%)			•	
Petrol LUMENNIS ZA JO d.o.o. Beograd (100%)			•	
Petrol LUMENNIS ŠI JO d.o.o. Beograd (100%)			•	
Petrol KU 2021 d.o.o. Beograd (100%)			•	
Petrol Crna Gora MNE d.o.o. (100%)	•	•		
Petrol Trade Handelsges.m.b.H. (100%)	•			
Beogas d.o.o. Beograd (100%)			•	
Petrol LPG d.o.o. Beograd (100%)	•			
Tigar Petrol d.o.o. Beograd (100%)	•			
Petrol LPG HIB d.o.o. (100%)	•			
Petrol Power d.o.o. Sarajevo (99,7518%)			•	
Petrol-Energetika DOOEL Skopje (100%)			•	
Petrol Bucharest ROM S.R.L. (100%)			•	
Petrol Hidroenergija d.o.o. Teslić (80%)			•	
Vjetroelektrane Glunča d.o.o. (100%)			•	
IG Energetski Sistemi d.o.o. (100%)			•	
Petrol Geo d.o.o. (100%)				•
EKOEN d.o.o. (100%)			•	
EKOEN GG d.o.o. (100%)			•	
EKOEN S d.o.o. (100%)			•	
Zagorski metalac d.o.o. (75%)			•	
Mbills d.o.o. (100%)		•		
Atet d.o.o. (72.96%; 76% voting rights)			•	
Vjetroelektrana Ljubač d.o.o. (100%)			•	
E 3, d.o.o. (100%)			•	
STH Energy d.o.o. Kraljevo (80%)			•	
Petrol - OTI - Terminal L.L.C. (100%)	•			
Geoplin d.o.o. Ljubljana (74.34%)			•	
Geocom d.o.o. (100%)			•	
Geoplin d.o.o., Zagreb (100%)			•	
Geoplin d.o.o. Beograd (100%)			•	
Zagorski metalac d.o.o. (25%)			•	
Jointly controlled entities				
Geoenergo d.o.o. (50%)			•	
Soenergetika d.o.o. (25%)			•	
Associates				
Plinhold d.o.o. (29.6985%)			•	
Aquasystems d.o.o. (26%)			•	
Knešca d.o.o. (47.27% of the company is owned by E 3, d.o.o.)			•	

As at 31 March 2022, the Petrol Group diagram does not include inactive companies.