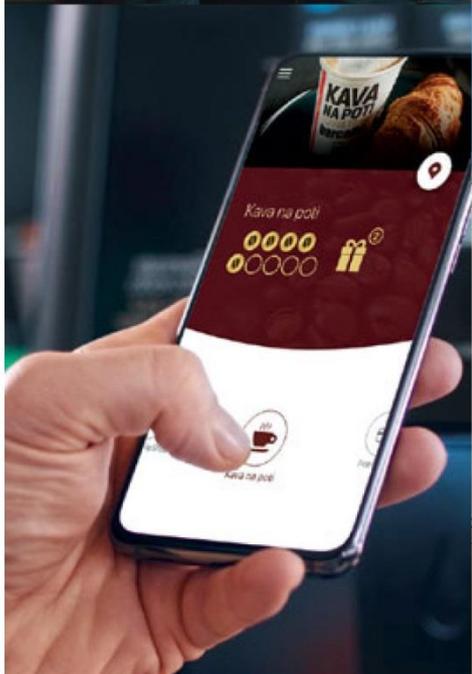


# Report on the operations

## of the Petrol Group and Petrol d.d., Ljubljana

in the first three months  
of 2023



**PETROL**

Energy for life



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# INTRODUCTION

## 1. Statement of the Management's Responsibility

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 2023 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 2023 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 2023 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, 11 May 2023

## 2. Introductory notes

The report on the operations of the Petrol Group and Petrol, d.d., Ljubljana, Dunajska 50, in the first three months of 2023 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 notes regarding the operations have been prepared based on the unaudited consolidated financial statements of the Petrol Group and the unaudited financial statements of Petrol d.d., Ljubljana, for the first three months of 2023, in compliance with the Companies Act and IAS 34 – Interim Financial Reporting.

Subsidiaries are included in the consolidated financial statements, which have been 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 2023 has been published on the website of Petrol d.d., Ljubljana, ([www.petrol.eu](http://www.petrol.eu), [www.petrol.si](http://www.petrol.si)), and is available on demand at the registered office of Petrol d.d., Ljubljana, Dunajska cesta 50, 1000 Ljubljana, every working day between 8 am and 3 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 2023 at its meeting held on 18 May 2023.

### Profile of the parent company, Petrol d.d., Ljubljana, as at 31 March 2023

Company name	<b>Petrol, slovenska energetska družba, d.d., Ljubljana</b>
Abbreviated company name	<b>Petrol d.d., Ljubljana</b>
Registered office	<b>Dunajska cesta 50, 1000 Ljubljana</b>
Telephone	<b>(01) 47 14 234</b>
Website	<b><a href="http://www.petrol.si">http://www.petrol.si</a>, <a href="http://www.petrol.eu">http://www.petrol.eu</a></b>
Activity code	<b>47,301</b>
Company registration number	<b>5025796000</b>
Tax number	<b>SI 80267432</b>
Share capital	<b>EUR 52.24 million</b>
Number of shares	<b>41,726,020</b>
President of the Management Board	<b>Nada Drobne Popović</b>
Members of the Management Board	<b>Matija Bitenc, Jože Bajuk, Jože Smolič, Zoran Gračner (worker director)</b>
President of the Supervisory Board	<b>Janez Žlak</b>

### 3. Business highlights of the Petrol Group

The Petrol Group	Unit	1-3 2023	1-3 2022	Index 2023/2022
Sales revenue	EUR million	1,826.5	1,936.8	94
Adjusted gross profit <sup>1</sup>	EUR million	111.9	162.2	69
Operating profit	EUR million	34.0	38.9	87
Net profit	EUR million	24.8	32.4	77
Equity <sup>4</sup>	EUR million	876.1	860.2	102
Total assets <sup>4</sup>	EUR million	2,667.8	2,740.6	97
EBITDA <sup>1, 2</sup>	EUR million	59.1	65.6	90
EBITDA/Adjusted gross profit <sup>1, 2</sup>	%	52.8	40.4	131
Operating costs/Adjusted gross profit <sup>1</sup>	%	116.7	73.5	159
Net debt/Equity <sup>1, 4</sup>		0.7	0.6	116
Net debt/EBITDA <sup>1, 2, 3</sup>		2.4	5.4	46
Added value per employee <sup>1, 2</sup>	EUR thousand	16.6	16.8	99
Earnings per share attributable to owners of the controlling company <sup>5</sup>	EUR	0.6	0.7	86
Net investments <sup>1</sup>	EUR million	18.3	8.2	224
Volume of fuels and petroleum products sold	thousand tons	884.1	906.4	98
Volume of natural gas sold	TWh	4.6	5.7	81
Volume of electricity sold	TWh	2.6	2.9	89
Revenue from the sales of merchandise and services	EUR million	118.3	101.5	117

<sup>1</sup> Alternative performance measure (APM) as defined in chapter Alternative Performance Measures.

<sup>2</sup> EBITDA = Operating profit + Net Allowances for operating receivables + Depreciation and amortisation charge.

<sup>3</sup> EBITDA calculated at annual level.

<sup>4</sup> Data for 2022 as at 31 December.

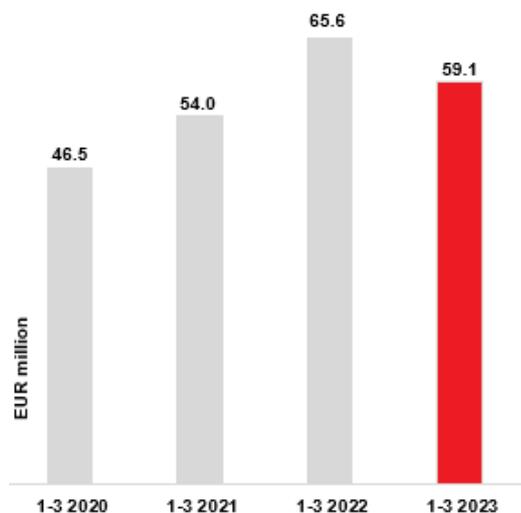
<sup>5</sup> 1-3 2022 - recalculated by taking into account the share split.

The Petrol Group	Unit	31 March 2023	31 December 2022	Index 2023/2022
Number of employees		6,103	6,224	98
Number of service stations		594	594	100
Number of e-charging points operated by the Petrol Group		427	417	102
Number of electricity customers	thousand	222.4	225.7	99
Number of natural gas customers (data for Geoplin d.o.o., Ljubljana are not included)	thousand	55.2	60.4	91

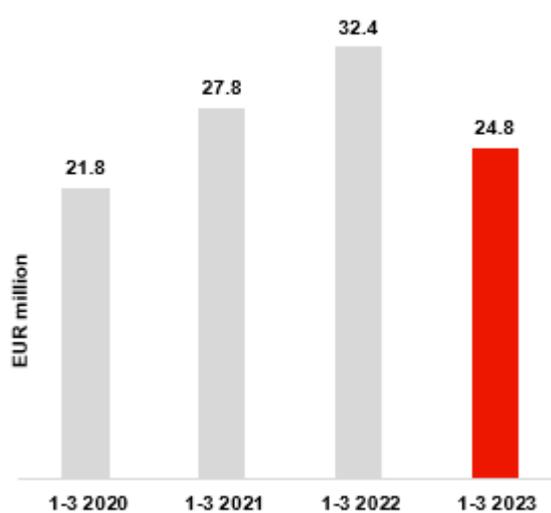


Report on the operations of the Petrol Group and Petrol d.d., Ljubljana in the first three months of 2023

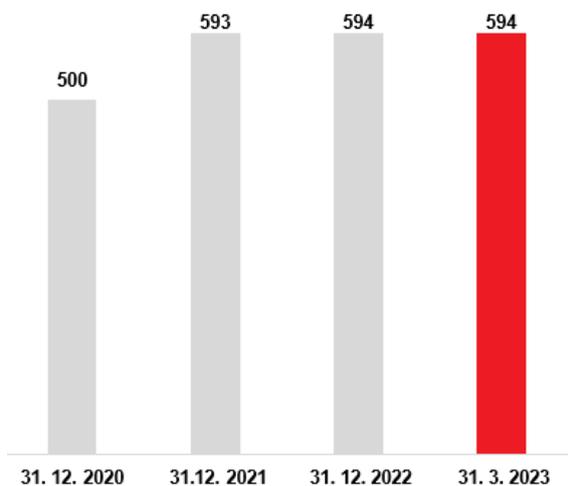
### EBITDA



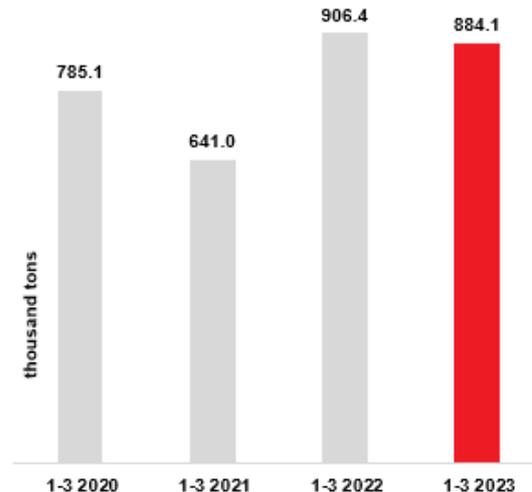
### Net profit or loss



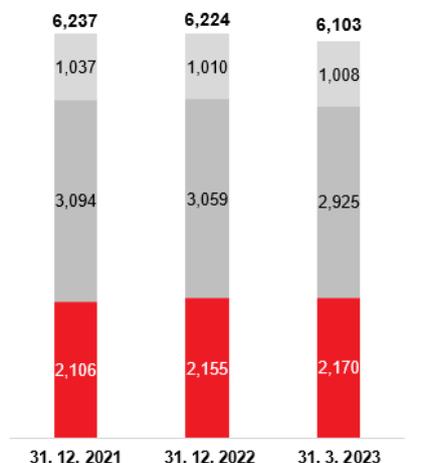
### The number of service stations



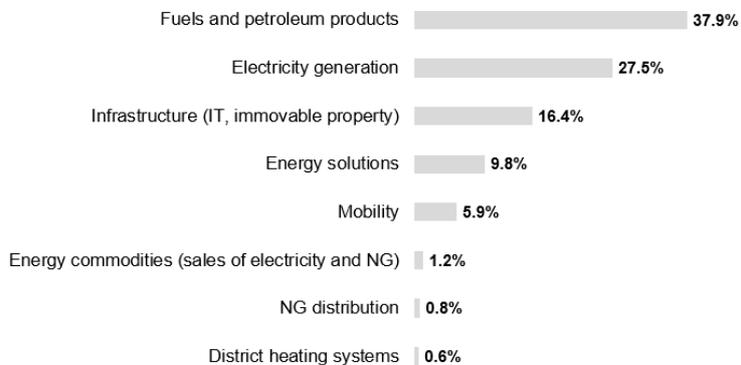
### Volumes of fuels and petroleum products sold



### Number of employees



### Structure of investments



■ Third-party managed service stations in Slovenia  
 ■ Subsidiaries  
 ■ Petrol d.d., Ljubljana

## 4. Strategic orientation

### Our mission

Through a broad range of energy commodities, 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 are creating a green future and making a significant contribution to protecting our environment.

### Our vision

To become an integrated partner in the energy transition, offering an excellent customer 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

## 5. Business performance analysis

### 5.1. Business environment

The Petrol Group operates in two highly competitive industries – energy and trade. Besides trends in the energy and commerce sectors, the Petrol Group's operations are influenced by several other, often interdependent, factors, in particular changes in energy prices and the US dollar exchange rate, which are a reflection of global economic trends. In addition, the operations in markets where the Petrol Group is present 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 energy prices and markets.

One of the most turbulent in the recent period, the year 2022 ended with energy prices dropping to the levels from the period before the start of the Ukrainian war. Economic growth in the euro area slowed considerably in the second half of the year, but less than forecast by international institutions. Problems in supply chains are gradually easing, energy prices have dropped thanks to more secure supply, and confidence indicators are improving. In their most recent forecasts, international institutions expect gradual economic improvement in Slovenia's trading partners. Given the more stable situation on the energy market, economic growth is expected to increase and inflationary pressures to decrease in 2023. External demand and supply chain disruptions are expected to improve gradually. However, considerable uncertainty regarding the continuation of the war in Ukraine is still present and may have a significant effect on the realisation of economic forecasts, the availability of energy commodities, and their prices.

The economic outlook for Slovenia has improved, especially because of the continued domestic consumption and record-high employment, but we are still faced with high inflation.

The high prices of energy commodities and the rising inflation at the start of 2022 prompted governments to regulate fuel prices in the markets where we operate. This was followed by the regulation of natural gas and electricity prices, all of which has had an effect on the operations of the Petrol Group.

In its projections published in the World Economic Outlook at the beginning of October 2022, the International Monetary Fund forecast a 1.7 percent GDP growth for Slovenia in 2023, but it decreased the forecast to 1.6 percent in April 2023. For Croatia, the Petrol's Group's second largest market, it forecast a 2.7 percent GDP growth in October 2022 and reduced it to 1.7 percent in April 2023. In its Spring Forecast of Economic Trends, the IMAD forecast a 1.8 percent growth for Slovenia in 2023.

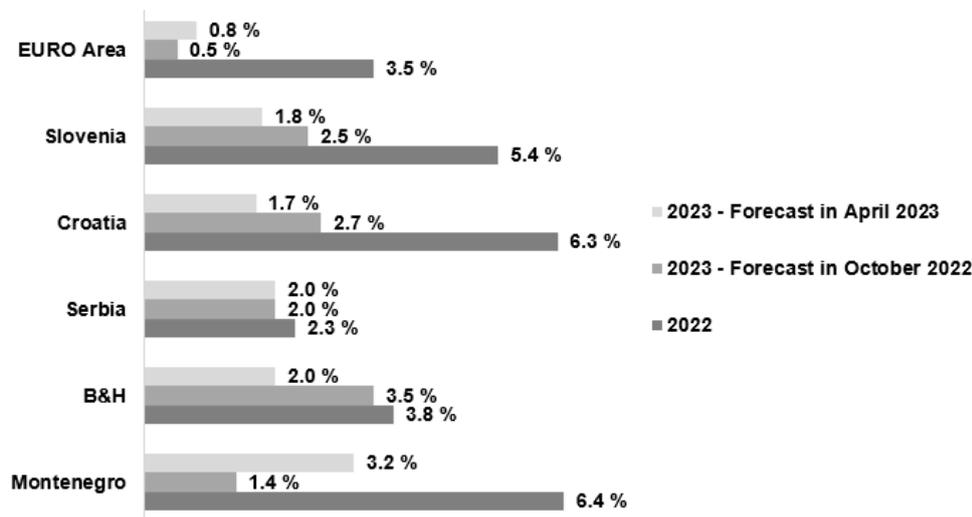
In March 2023, the International Monetary Fund forecast a 6.4 percent inflation for Slovenia in 2023 (5.1 percent in October 2022) and 7.4 percent for Croatia (5.5 percent in October 2022).

In its Spring Forecast 2023, IMAD predicted a 7.1 percent inflation rate for Slovenia in 2023 (year-average, or 5.1 percent in December 2023 compared to December 2022), while in its Autumn Forecast 2022 it forecast a 6.0 percent inflation rate for 2023 (year-average or 3.9 percent in December 2023 compared to December 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 abide by all decrees determining the prices of petroleum products and other energy commodities on all markets where we operate.

### GDP change in %

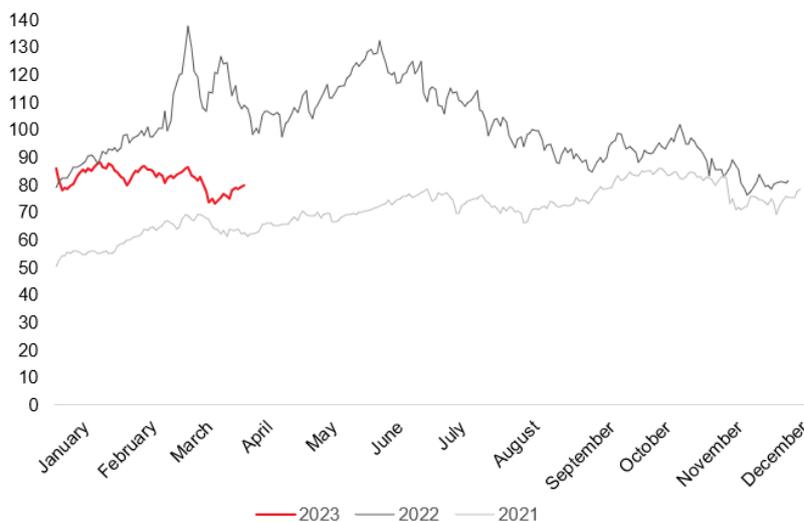


Source: International Monetary Fund, IMAD

### Oil and petroleum product price movements

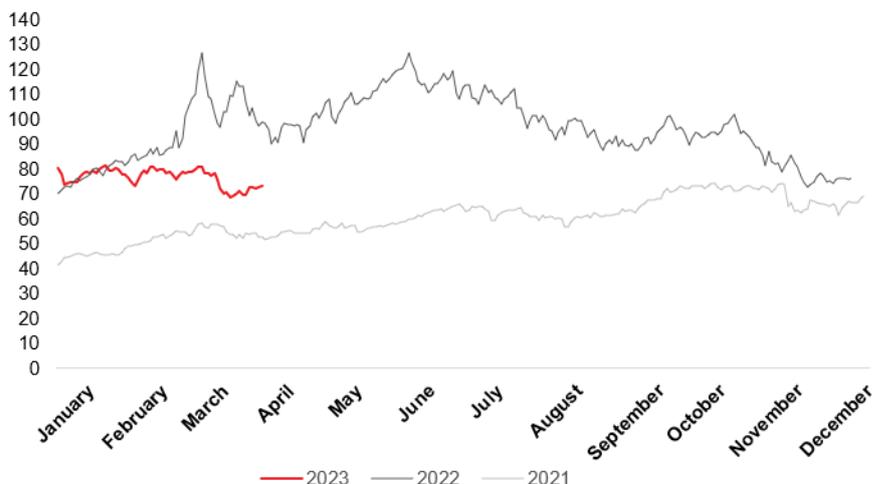
The price of Brent Dated North Sea crude oil has stood between USD 73.0 per barrel and USD 88.2 per barrel since the beginning of 2023. In the first three months of 2023, the average price was USD 82.2 per barrel, a decrease of 20 percent compared to the same period last year when the war broke out in Ukraine. The price of oil was affected by the data about the global economic situation, the global crude oil reserves and the OPEC data about oil outputs.

### Changes in Brent Dated oil price in the first three months of 2023 and in 2022 and 2021 in USD/barrel



Source: Petrol, 2023

## Changes in Brent Dated oil price in the first three months of 2023 and in 2022 and 2021 in EUR/barrel



Source: Petrol, 2023

In the first three months of 2023, the price of diesel stood between USD 747.5 and 1,022.0 per metric unit. The average price of diesel in the first three months of 2023 was USD 853.3 per metric unit, a decrease of 7 percent compared to the same period last year when it stood at USD 921.8 per metric unit.

In the first three months of 2023, the price of petrol stood between USD 769.0 and 929.0 per metric unit. The average price of petrol in the first three months of 2023 was USD 857.9 per metric unit, a decrease of 9 percent compared to the same period last year when it stood at USD 943.5 per metric unit.

The price of petrol was gaining and the price of diesel losing on value in the first three months of 2023. After more than six months, the price of petrol again surpassed the price of diesel at the start of February. As at 31 March 2023, the price of petrol stood at USD 900.8 per metric unit and the price of diesel at USD 772.8 per metric unit, meaning that a metric unit of petrol was USD 128.0 more expensive than a metric unit of diesel.

Future crude oil price trends will be affected most by the situation in Ukraine, OPEC's oil output agreements, and the effect of the global economic situation on oil demand.

### Regulation of petroleum product prices

#### Slovenia

In Slovenia, the price of extra-light heating oil has been regulated since 20 October 2021, with the exception of the period between 22 May and 12 September 2022.

The prices of petrol NMB-95 and diesel have been regulated since 15 March 2022, with the exception of a brief period between 1 and 10 May. The retail price limitation was in force until 20 June, after which a Decree was adopted on 21 June and determined the maximum margins for sellers; this Decree is still in force.

The Government of the Republic of Slovenia adopted a new Decree on 15 June 2022, excluding prices of motor fuels at motorway and expressway service stations and premium fuels NMB 100 and iQ diesel. The retail and wholesale prices at such service stations and of premium fuels were market-determined. By way of the Decree, the Government stopped the limitation of maximum prices and limited fuel retailers' and wholesalers' margin to EUR 0.0591 per litre for diesel and for NMB-95 to EUR 0.0607 per litre; after 17 August 2022, the margin for diesel stands at EUR 0.0983 per litre and for NMB-95 at EUR 0.0994 per litre. The Decree is in effect from 21 June for a period of one year. Pursuant to the Decree, the bio-component markup is excluded from the model price calculation formula although the bio-component still needs to be added to fossil fuels pursuant to the Decree on Renewable Energy Sources in Transport of 30 December 2021.

According to the new Decree adopted by the Government of the Republic of Slovenia on 2 December 2022, the biocomponent markup for NMB-95 and diesel is also included in the calculation of the maximum retail prices. For the first calculation of the 14-day average selling price of the current period net of duties, the accounting period from 21 November 2022 to 2 December 2022 was taken into account.

## Croatia

In Croatia, prices have been regulated since 7 February 2022. During the first month, the maximum retail prices were determined, and these were lower than the purchase price of the regulated fuels. Since 7 March, the maximum margins have been determined; these enable covering the purchase price, but not also all costs. The maximum retail prices were also determined in the period from 21 June to 18 July and from 18 to 24 October. Since 12 September, the prices of LPG – the propane-butane mixture for large tanks and cylinders – have also been regulated.

On 2 January 2023, the Government of the Republic of Croatia adopted the Decree on setting maximum retail prices, determining the maximum margins for petrol (eurosUPER 95) at EUR 0.0995 per litre, eurodiesel at EUR 0.0995 per litre, blue diesel at EUR 0.0531 per litre, propane-butane blend for large gas storage tanks at EUR 0.3716 per kg and LPG cylinders (7.5 kg or more) at EUR 0.8229 per kg. The Decree was in force from 3 January 2023. Croatia extended the validity of the Decree every two weeks, but it did not limit the validity date of the Decree as of 7 February 2023.

## Serbia

In Serbia, the Government of the Republic of Serbia adopted Regulation on the Limitation of Prices of Petroleum Products (without additives), referring to eurodiesel and unleaded petrol; the Regulation has been in force since 12 February 2022. By amending the Regulation on 11 March 2022, the maximum retail price, including VAT, for eurodiesel and NMB 95 unleaded petrol was set in the amount of the average wholesale price of fuel products in Serbia, increased by RSD 6 per litre (EUR 5 cents per litre), and later (with amendment on 29 April 2022) increased by RSD 7 per litre (EUR 6 cents per litre). Prior to this, retail prices of petroleum products were market-determined. The Serbian government extends the duration of the Regulation on a monthly basis.

The Government of the Republic of Serbia adopted the Regulation on the price capping of petroleum products on 24 February 2023, setting the maximum retail price, including VAT, for eurodiesel and unleaded petrol NMB-95. The price is set in the amount of the average wholesale price of petroleum products in Serbia, increased by RSD 13 per litre (EUR 0.11 per litre). The Decree is in effect until 31 March 2023.

### **Bosnia and Herzegovina**

In Bosnia and Herzegovina, the maximum retail margin has been set at BAM 0.25 per litre (EUR 0.128 per litre) and the wholesale margin at BAM 0.06 (EUR 0.0307 per litre) since 3 April 2021; prior to that, the retail prices of petroleum products were market-determined.

### **Montenegro**

In Montenegro, the prices of petroleum products are set in accordance with the Regulation on the Method of Setting Maximum Retail Prices, which has been in force since March 2021. The prices change fortnightly, subject to changes on the oil market (Platts European Marketscan) and the rounding of the euro and the US dollar exchange rate. Prior to this, the prices of petroleum products were set pursuant to the Regulation, which was in force since 1 January 2011.

### **Price movements of other energy commodities**

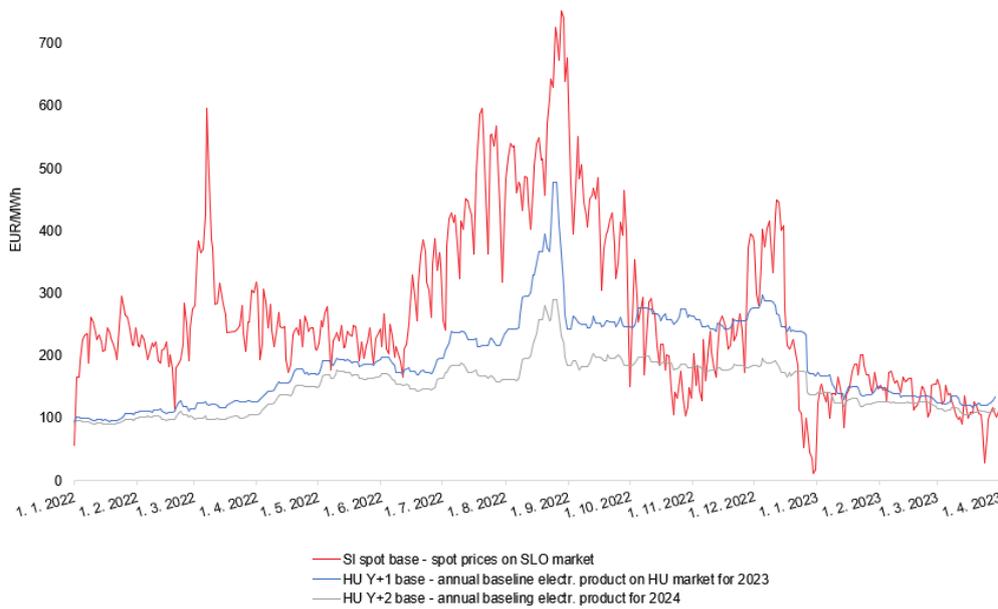
At the last trading day of 2022, the settlement price of the annual baseline electricity product on the Hungarian market for 2023 stood at 223 EUR/MWh, the annual baseline product for 2024 was 170.50 EUR/MWh, while the spot price on the Slovenian market for 2022 stood at 66 EUR/MWh at year-end.

After having reached record highs in 2022, the prices of electricity in Europe dropped substantially in January 2023. In the first three months of 2023, at the value of 171.09 EUR/MWh, we recorded a lower average of the annual baseline electricity product on the Hungarian market for 2023, while the average spot price formed on the Slovenian market in the first three months of 2023 stood at 136.14 EUR/MWh.

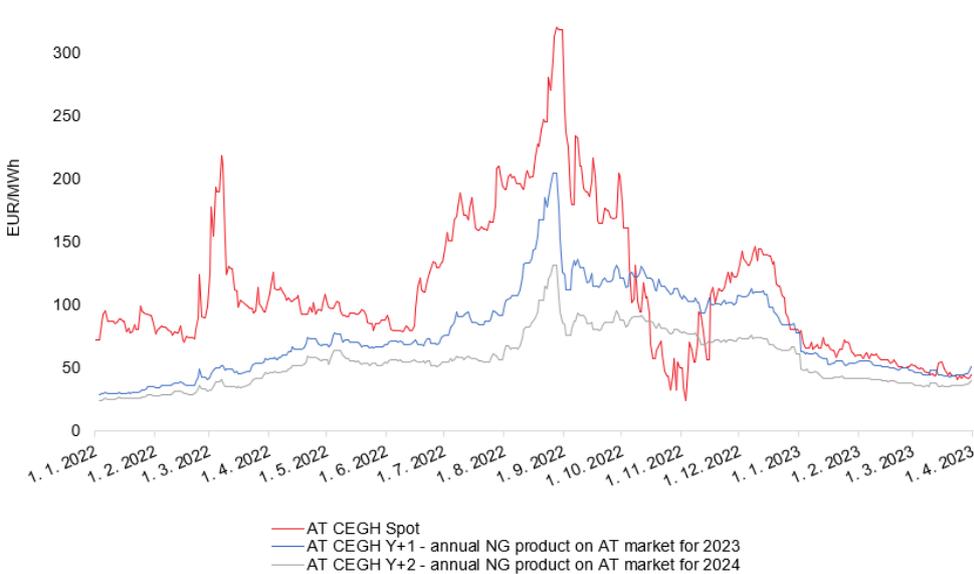
The key turning point followed by the drop in prices of both electricity and natural gas was the enforcement of the regulation proposed by ministers of EU Member States with which Europe reached a political agreement on the measures to tackle the energy crisis. The energy price drop was also strongly affected by the milder winter with above-average temperatures which contributed to the reduced consumption of both energy commodities and enabled that EU natural gas storage facilities stayed above-averagely full. Movements in the global prices of natural gas continued in the bearish trend, attributable to the warmer weather, excess supplies and turmoil in the banking sector, potential recession if the FED and the ECB continue increasing the key interest rates, which is affecting the market of raw materials. Due to the endeavours in Europe to reduce gas consumption in the current year, storage facilities in Europe are almost 56 percent full, which is more than the five-year average of 35 percent. Natural gas consumption in OECD Europe fell by an estimated 13 percent in 2022, which is the steepest decline in absolute terms in history. Energy ministers have recently reached a new political agreement to extend the regulation on reducing gas consumption by the end of March 2024. The regulation was initially adopted in August 2022 and it set out voluntary

reduction of natural gas demand by 15 percent between 1 August 2022 and 31 March 2023. In accordance with the new agreements, EU Member States will endeavour to reduce natural gas consumption in the period between 1 April 2023 and 31 March 2024 by 15 percent compared to their average gas consumption in the period between 1 April 2017 and 31 March 2022. The reduction is voluntary, although the regulation also enables imposing mandatory reduction. All of the above has strongly influenced the reduction of electricity and natural gas prices, yet there are still many factors present that may substantially tighten Europe’s energy balance, including France’s pension plan strikes, corrosion issues affecting the operation of the French nuclear fleet, and pressures on the market of raw materials. Snow levels in the Alps are far below historical averages and lower than last winter, which will result in strong reduction of meltwater and much lower hydropower production. Even the very navigability of European rivers which are used to transport coal for electricity generation could be at risk.

**Electricity price trends in 2022, in the first three months of 2023, and projections**



**Natural gas price trends in 2022, in the first three months of 2023, and projections**



## Regulation of other energy commodity prices

In **Slovenia**, the Government of the Republic of Slovenia adopted the Decree Determining the Prices of Electricity on 14 July 2022, setting the maximum permitted retail price of electricity for households and small business customers (Official Gazette of the RS, No. 95/22), as determined by the Electricity Supply Act (Official Gazette of the RS, No. 172/21) and for consumption in common areas of multi-apartment buildings and common areas in mixed multi-apartment and business buildings.

On 21 July 2022, the Government of the Republic of Slovenia further adopted the Decree Determining the Prices of Natural Gas from the Gas System, which sets the maximum permitted retail price of natural gas from the transport and distribution network gas system for household consumers, end gas users supplying heat to several apartments via a shared heating device owned or co-owned by such households, essential social services such as determined in the second bullet of the first paragraph of Article 117 of the Electricity Supply Act and consumers who, on the Decree enforcement date, are small business customers as determined by the Electricity Supply Act.

Both Decrees set the maximum permitted retail price of energy commodities, which will be in effect from 1 September 2022 to 31 August 2023.

At the beginning of September 2022, the Government adopted the Act Amending the Gas Supply Act. With the amendments, it inter alia supplemented the definition of household gas customers to prevent abuse and ensure that all households have the right to a basic gas supply. The Act also guarantees basic and alternative gas supply to all protected customers who are (would be) suddenly left without a supplier or the offer of a new supplier. The Act also broadened the definition of protected customers to include primary schools, kindergartens and health centres. The suppliers of substitute natural gas are designated by the Energy Agency on the basis of the Act.

In September 2022, the Act on Measures for the Management of Crisis Conditions in the Field of Energy Supply was adopted. This has set the basis for the identification of temporary management measures in times of increased energy supply risk, as well as measures to ensure the security of the energy supply and to reduce import dependency and the pressure on energy prices due to the volatility of energy markets.

On 27 October 2022, an amendment to the Decree on setting gas prices from the system was adopted - the maximum retail price also applies to household customers of district heating, and the Decree also redefines the maximum retail price of gas for kindergartens, primary schools and health centres, as well as for the substitute and basic supply of natural gas for protected customers. The Decree applies from 1 November 2022 to 31 August 2023.

In December 2022, the Government also set a maximum retail price for natural gas from the system for certain public entities, such as public bodies, public economic institutions, public agencies, public funds and municipalities. The Decree on setting gas prices from the system sets the maximum permitted retail price of natural gas from the gas system of the transmission and distribution network for certain legal entities under public law, for providers of publicly valid education and training programmes, and for providers of social care services, social welfare

programmes and family support programmes. The gas price is capped at EUR 0.095 per kWh for the period from 1 January 2023 to 31 December 2023.

On 13 January 2023, the Government of the Republic of Slovenia adopted the Decree on determining compensation for natural gas suppliers. For supplies regulated by the decrees, suppliers are entitled to a monthly compensation for the difference between the average monthly purchase cost and the regulated retail price, taking into account the supplier's cost of EUR 5 per MWh.

On 13 January 2023, the Government of the Republic of Slovenia adopted the Decree on the determination of electricity prices. For supplies regulated by the decrees, suppliers are entitled to a monthly compensation for the difference between the average monthly purchase cost and the regulated retail price, taking into account the supplier's cost of EUR 10 per MWh.

On 24 January 2023, the Government of the Republic of Slovenia adopted the Decree on setting district heating price, determining the maximum tariff item for the variable part of the price of heat at EUR 98.70 per MWh for households which accept heat from the distribution system where the distributor carries out the public service, namely via the individual or common offtake point. The distributors whose pricelists for January 2023 include the tariff item for the variable part of the heat price that is below the indicated amount cannot increase such price. The Decree applies to the heat supplied in the period from 1 January 2023 to 30 April 2023.

In Slovenia, the Decree amending the Decree on setting gas prices from the system was adopted on 27 January 2023 and entered into effect on 28 January 2023. It sets the maximum permitted retail price of natural gas needed for the production of heat for basic social services, kindergartens, primary schools and health centres at EUR 0.079 per kWh and applies to natural gas supplied in the period from 1 January 2023 to 31 August 2023.

The Croatian government adopted the Regulation to Eliminate Disruptions on Domestic Energy Market on 8 September 2022, determining the price of electricity for households and business customers and public institutions from 1 October 2022 to 31 March 2023. On 14 September, it adopted Regulation amending the abovementioned Regulation, determining special measures for trading in natural gas. On 19 September 2022, the Croatian government adopted a decision on the amount of tariff items for natural gas supply to non-household end customers for the period from 1 October to 31 December 2022.

### **Effect of changes in the USD/EUR exchange rate**

The USD/EUR exchange rate ranged between 1.05 and 1.10 in the first three months of 2023. The average exchange rate of the US dollar according to the exchange rate of the European Central Bank stood at USD 1.07 per euro in the period concerned (in 2022, the average exchange rate was USD 1.05 per euro).

## **5.2. The Petrol Group's business performance**

The Petrol Group's business results are reported in the context of the following product groups:

- **Fuels and petroleum products**, including petroleum product sales, liquefied petroleum gas sales and other alternative energy commodities (compressed natural gas), transport,

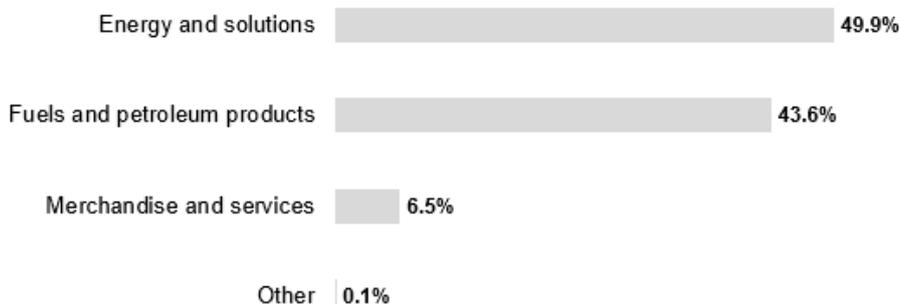
storage and transshipment of fuels, revenue from payment cards, and sales of biomass, tyres, inner tubes and batteries.

- **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, and catering facility rentals.
- **Energy and solutions**, including electricity and natural gas sales and trading, 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, mobility and renewable electricity generation.
- **Other**: mining services, maintenance services, vacation rentals.

## Sales revenue

In the first three months of 2023, the Petrol Group generated **sales revenue** of EUR 1.8 billion, a year-on-year decrease of 6 percent, mainly because of the lower prices of natural gas compared to the same period last year and the lower volume of trading in electricity and natural gas compared to last year.

### The Petrol Group's sales revenue by product group in the first three months of 2023



In the first three months of 2023, the Petrol Group sold 884.1 thousand tons of fuels and petroleum products, a year-on-year decrease of 2 percent. On 15 March 2022, the Slovenian government capped the prices of certain petroleum products, so that they were lower than in the neighbouring countries and as a result, sales increased substantially in the last two weeks of March. Moreover, buyers were stocking up at the start of 2022 because of the uncertainty on the oil market, whereas there are no such fluctuations this year. We are faced with a drop in sales in the Croatian market, especially in the wholesale market.

In the first three months of 2023, we generated a revenue of EUR 118.3 from the sales of merchandise and services, a year-on-year increase of 17 percent. Revenue increased in the segment of food and tobacco sales in both Slovenia and SEE markets. A minor drop was only recorded in revenue from carwashes.

In the first three months of 2023, we sold 4.6 TWh of natural gas, 2.6 TWh of electricity, and 72.1 thousand MWh of heat.

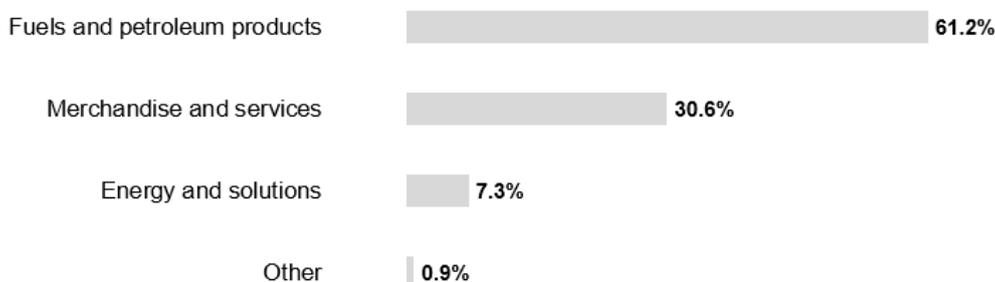
## Adjusted gross profit

In the period concerned, adjusted gross profit stood at EUR 111.9 million, a year-on-year decrease of 31 percent. This year, business conditions are quite different than in the same period last year.

The prices of petrol and diesel have been regulated throughout the entire period this year. In Slovenia, the maximum margin that can be charged at non-motorway points of sale is determined. In Croatia, the maximum margin is limited at all points of sale, including on motorways; premium fuels are excluded from regulation. Last year, prices were market-determined in Slovenia until 14 March 2022 and from 15 March 2022 onwards, the maximum retail price was determined at all locations. In Croatia, prices were liberalised until 6 February 2022. The maximum retail price was determined between 7 February and 6 March 2022, while on 7 March 2022, a Decree was adopted and since then the maximum margins have been determined.

In Slovenia, the prices of electricity and natural gas were market-determined in the first three months of 2022, whereas they were regulated in the period of January to March 2023. In January 2023, the Slovenian government adopted a Decree determining compensation to electricity and natural gas suppliers for the difference between the average monthly cost and regulated retail price. Accordingly, revenue from claims against Borzen for such compensation is recorded under other revenue. So far, no decision regarding the amount or the payment of compensation has yet been received from Borzen.

## The Petrol Group's adjusted gross profit by product group in the first three months of 2023



## Operating costs

In the first three months of 2023, operating costs stood at EUR 130.6 million, a year-on-year increase of EUR 11.3 million or 10 percent, mostly on account of higher prices of energy commodities than in the same period last year and higher labour cost.

The share of operating costs in adjusted gross profit for the period concerned stood at 116.7 percent compared to 73.5 percent in the same period last year. The deterioration of the indicator is a result of the lower adjusted gross profit due to electricity and natural gas price regulation and the claims against Borzen are recorded under other revenue. Moreover, the Petrol Group manages volumetric and price risks with derivative financial instruments. The value of financial transactions depends on the market price trends and need for portfolio hedging. The share of costs in the gross profit, increased by the claim against Borzen and the

net gain on derivatives stood at 80.5 percent in the first three months of this year compared to 80.2 percent in the same period last year.

The Petrol Group (in EUR)	1-3 2023	1-3 2022	Index 2023/2022
Cost of materials	20,396,790	11,039,866	185
Cost of services	41,852,922	41,937,355	100
Labour costs	36,691,778	32,299,251	114
Depreciation and amortisation	23,593,200	22,476,575	105
Other costs	8,044,280	11,476,118	70
- of which net allowances for operating receivables	1,513,590	4,186,705	36
<b>Operating costs</b>	<b>130,578,970</b>	<b>119,229,165</b>	<b>110</b>

**Costs of materials** stood at EUR 20.4 million in the first three months of 2023, a year-on-year increase of 85 percent, especially because of the higher costs of energy. A part of the costs is covered with revenue.

**Costs of services** stood at EUR 41.9 million and were on a par with those from the same period last year. The cost of service station operators increased the most compared to the same period last year, by 12 percent, especially on account of the increase in wages to the employees with the lowest wages and balancing payments to the minimum wage – our points of sale at service stations are still understaffed. The higher costs of subcontractors are related to the higher sales of energy solutions. We focused greatly on ensuring an optimal service station model already last year and it was reflected in lower costs of transport services on the Croatian market; transportation tariffs increased in all markets. Costs of professional services decreased by 6 percent and costs of advertising and entertainment by 26 percent. Under costs of payment transactions and banking services, costs of exchange commissions are lower. Costs of maintenance dropped by 16 percent compared to the same period last year.

**Labour costs**, which stood at EUR 36.7 million, increased by 14 percent year-on-year. In Slovenia and Croatia, the costs increased primarily because of salary changes (increase of wages for the employees with the lowest wages, balancing payments to the minimum wage, bonus for working during less favourable working time – our service stations are still understaffed).

**Amortisation and depreciation charge**, which stood at EUR 23.6 million in the first three months of 2023, increased by EUR 1.1 million or 5 percent year-on-year.

**Other costs** stood at EUR 8.0 million, down by 30 percent year-on-year, especially because of the lower net operating receivable allowances compared to the same period last year.

Various activities are in place to manage costs. We have reinforced the team which prepares analyses and suggestions for improvements referring to business optimisation and the functioning and use of technological equipment at service stations. We monitor costs regularly and take appropriate measures in case of deviations.

**Gain on derivatives** amounted to EUR 71.5 million, a year-on-year decrease of EUR 42.9 million. Loss on derivatives stood at EUR 54.9 million, a year-on-year decrease of EUR 65.1 million. The Petrol Group is exposed to price and volumetric risks arising from operations with

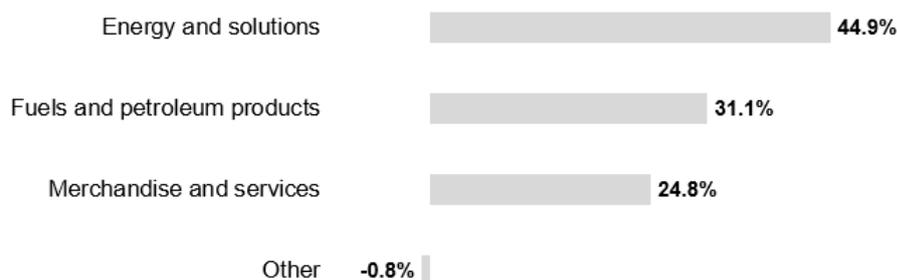
energy commodities (petroleum products, natural gas, electricity, LPG). The Petrol Group manages price and volumetric risks primarily by aligning purchases and sales of energy commodities in terms of quantities as well as purchase and sales conditions, thus hedging its margin. Depending on the business model for each energy commodity, appropriate limit systems are in place that limit exposure to price and volumetric risks. The Petrol Group hedges energy commodity prices primarily by using derivatives. 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. In electricity trading, the Petrol Group also concludes derivative financial instruments with financial institutions where the counterparty default risk is minimal, whereby it also considers the adopted market value limits. The value of financial transactions changes annually based on market price trends and needs for our portfolio hedging.

**Other revenue** amounted to EUR 36.3 million and were by EUR 34.7 million higher compared to the same period last year. EUR 33.8 million of other revenue is revenue related to the claim against Borzen for the compensation due to the regulated electricity and natural gas prices, in line with the Decree adopted at the start of this year. **Other expenses** stood at EUR 0.2 million.

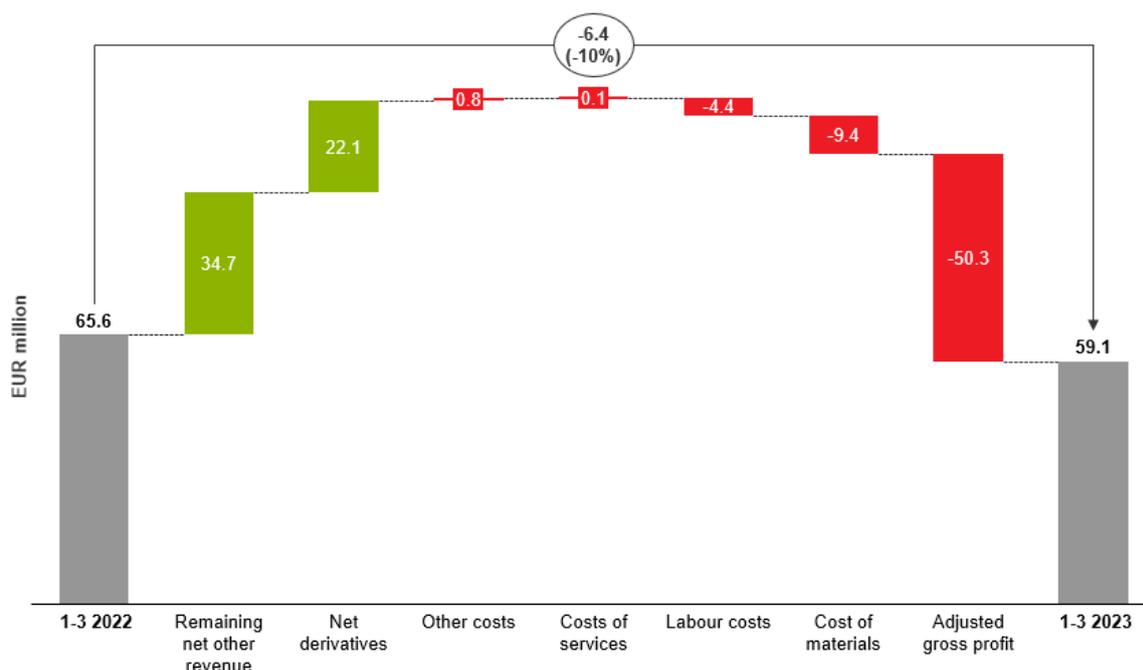
## EBITDA

In the first three months of 2023, EBITDA stood at EUR 59.1 million, a year-on-year decrease of 10 percent. The major drop of EBITDA compared to the same period last year is recorded in the segment of fuels and petroleum products because the prices of fuels, except premium fuels, are still regulated at all service stations in Croatia and at non-motorway stations in Slovenia. A drop is also recorded in natural gas and electricity sales and trading, while we are successful in sales of energy solutions and energy generation from renewable energy sources.

### The Petrol Group's EBITDA by product group in the first three months of 2023



**EBITDA in the first three months of 2023 compared to the same period of 2022**



**Operating profit** in the first three months of 2023 stood at EUR 34.0 million, a year-on-year decrease of EUR 4.9 million or 13 percent.

**Share of profit from equity accounted investees** stood at EUR 0.2 million in the first three months of 2023, a year-on-year decrease of EUR 0.5 million.

**Net finance expenses** of the Petrol Group stood at EUR 3.3 million in the first three months of 2023, up by EUR 3.5 million compared to the same period last year. Net foreign exchange gains were up by EUR 4.5 million and net interest expenses up by EUR 1.4 million year-on-year. Net derivative expenses were up by EUR 6.5 million year-on-year.

**Pre-tax operating profit** amounted to EUR 31.0 million in the first three months of 2023 EUR compared to EUR 39.9 million in the same period last year.

**Net profit** for the first three months of 2023 stood at EUR 24.8 million compared to EUR 32.4 million in the same period last year.

**Total assets** of the Petrol Group stood at EUR 2.7 billion as at 31 March 2023, a decrease of 3 percent compared to the end of 2022. Non-current assets totalled EUR 1.3 billion, up by 1 percent compared to end of 2022, and current assets stood at EUR 1.3 billion, down by 6 percent compared to the end of 2022. Compared to the end of 2022, current operating receivables decreased by EUR 139.5 million.

**Equity** of the Petrol Group stood at EUR 876.1 million as at 31 March 2023, a year-on-year increase of 2 percent.

**Net debt** stood at EUR 611.1 million, up by EUR 95.2 million compared to the end of 2022. Net debt increased because of the higher working capital and the unpaid compensation due

to electricity and natural gas price regulation by Borzen from 1 September 2022 onwards in the total amount of EUR 40.2 million.

As at 31 March 2023, the Petrol Group's **working capital** stood at EUR 120.5 million, an increase of EUR 102.4 million compared to the end of 2022. Trade receivables and payables and inventories decreased compared to the end of 2022, while assets based on customer contracts increased.

The Management Board of Petrol d.d., Ljubljana submitted proposals for amicable settlement of dispute to the State Attorney's Offices of the Republic of Slovenia and the Republic of Croatia in order to receive compensation for the damage resulting from the regulated prices of motor fuels in 2022, in Slovenia in the amount of EUR 106.9 million and in Croatia in the amount of EUR 55.9 million. Both State Attorney's Offices rejected our proposals.

An action for compensation of the damage of EUR 106.9 million resulting from the capped motor fuel prices in 2022 was filed against the Republic of Slovenia on 16 May 2023.

Given the decision of the Croatian Constitutional Court in the case in which small fuel distributors sought review of constitutionality and lawfulness of regulations where the Constitutional Court decided that regulation was in line with the legal regulations, we are currently assessing the need to adjust our claim in order to increase our chances of success in the legal action.

## 6. Operations by product groups

Below is a detailed presentation of the Petrol Group's operations in the first three months of 2023 broken down by **product groups**:

### 6.1 Fuels and petroleum products

In the first three months of 2023, the Petrol Group generated EUR 796.3 million in revenue with the fuels and petroleum products group.

In the first three months of 2023, the Petrol Group sold 884.1 thousand tons of fuels and petroleum products, down by 2 percent compared to the same period last year.

On the **Slovenian market**, we sold 355.4 thousand tons of fuels and petroleum products in the first three months of 2023, a year-on-year decrease of 9 percent. Compared to the same period last year, our sales of heating oil decreased this year because at the start of last year, customers were stocking up due to the uncertainty regarding the supply of petroleum products. Due to the high average temperatures, demand for heating oil as an energy commodity for heating was lower than last year.

On **SEE markets**, we sold 290.0 thousand tons of fuels and petroleum products in the first three months of 2023, a year-on-year decrease of 14 percent. The same in Slovenia, buyers in the markets of SE Europe were stocking up at the beginning of last year due to the uncertain situation. Additionally, the drop in sales was also a result of the reduced industrial production. In the first three months of 2023, six of our service stations were temporarily closed in Croatia because of renovation works.

On **EU markets**, we sold 238.7 thousand tons of fuels and petroleum products in the first three months of 2023, a year-on-year increase of 32 percent 2022.

In the structure of fuel and petroleum product sales, the share of sales to EU markets increased and the share of sales in Slovenia and to SEE markets decreased in the first three months of 2023 compared to the same period last year (1-3 2023: Slovenia 40 percent, SEE markets 33 percent, and EU markets 27 percent; 1-3 2022: Slovenia 43 percent, SEE markets 37 percent, and EU markets 20 percent).

Of 884.1 thousand tons of fuels and petroleum products, 44 percent was sold in retail and 56 in wholesale.

At the end of March 2023, the Petrol Group's retail network consisted of 594 service stations, of which 318 in Slovenia, 202 in Croatia, 42 in Bosnia and Herzegovina, 17 in Serbia, and 15 in Montenegro.

At the end of March 2023, the Petrol Group operated 5 concessions for liquefied petroleum gas supply in Slovenia. In addition, Petrol d.o.o. has two agreements concluded for liquefied petroleum gas supply in Šibenik and Rijeka. We also supply liquefied petroleum gas to our customers via gas holders and at service stations (autogas).

## 6.2 Merchandise and services

In the first three months of 2023, the Petrol Group generated EUR 118.3 million in revenue from the sales of merchandise and services.

On the **Slovenian market**, we generated EUR 87.1 million in revenue from the sales of merchandise and services in the first three months of 2023, up by 19 percent compared to the same period last year.

On **SEE markets**, we generated EUR 31.2 million in revenue from the sales of merchandise and services in the first three months of 2023, a year-on-year increase of 11 percent.

Revenue was increased in the segment of food and tobacco product sales in both Slovenia and SEE markets. A minor drop was recorded in revenue from carwashes.

### **Significant activities in sales of fuels and petroleum products and merchandise and services**

We reinforce the sales network position by tailoring the business models operated by third parties (bars and restaurants) and digital solutions (digitisation of forms and upgrade of the SmartSpotter Team tool to track processes) and empowering employees to provide customised services to clients. In Croatia, our process integration of Crodux's points of sale into Petrol's network has continued. We focus on finding new technological and digital solutions to optimise processes, unify processes in all markets and monitor the operational efficiency.

We provide various educational contents to enhance the key competences of all employees to offer customised services to customers (education and training for internal coaches, upgrade of process development for point-of-sale managers, auditing protocols for the implementation of work processes at points of sale, point of sale tidiness and appearance, monitoring the CEX indicator).

We also monitor the quality of sales process implementation via outsourcers, that is, mystery shoppers. Customer satisfaction is measured with the Transactional Net Promoter Score survey in which customers provide their feedback regarding their satisfaction with point-of-sale services. We are currently introducing the tNPS survey in Croatia. A big emphasis is put on the cleanliness and tidiness of service stations.

Through the monitoring of costs by segments and making suggestions for improvement of both operational optimisation and the use of technological equipment, we provide for the cost optimisation of operations. We focus greatly on finding solutions for energy savings and are implementing the operating cost model and protocol in all markets.

In the field of B2B sales, we place great emphasis on fostering good business relationships and working successfully with our customers, which has been particularly important in the time of significant changes of the cost of fuels and the regulation of fuel retail prices and margins. We attract new customers and offer new products to those who are already with us. We provide appropriate financial insurance. We have appointed key account managers who provide a comprehensive range of our products for all major clients.

We consider cooperation based on understanding, flexibility and helpfulness as a fundamental principle. We are becoming a connecting link in the wider ecosystem of sales segments and industry. With a comprehensive range of energy sources and solutions, we offer support to existing and new customers in the transition from traditional energy sources (fossil fuels) to cleaner, environmentally friendlier and healthier renewable energy sources. We design a personalised range for existing and new customers according to their needs. We actively use and upgrade the Salesforce tool which provides us an insight into information.

In the period of January–March 2023, we were successful in two major public tenders, namely Health Centre Velenje for motor fuel supply and Slovenian Railways for electricity supply.

### **6.3 Energy and solutions**

In the first three months of 2023, the Petrol Group generated EUR 910.9 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, industrial solutions),
- Heat systems,
- Natural gas distribution,
- Energy commodities (electricity sales and trading, natural gas sales and trading),
- Mobility, and
- Electricity generation.

#### **6.3.1 Energy solutions**

In the segment of energy solutions, we generated revenue of EUR 11.9 million in the first three months of 2023.

##### **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 ensuring savings.

The EOL Ig project (6 buildings) was completed in the first three months of 2023. The EUO Ruše project (3 buildings) is currently underway and is expected to be completed in the next three months. We are carrying out all works related to the management of buildings in accordance with the signed concession agreements.

## Efficient public lighting

We are replacing old energy-wasting lights with modern LED luminaires, which direct light only 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.

In the period concerned, three projects in the field of energy efficient public lighting under the PPA model were started in Croatia: Molve, Trogir and Jastrebarsko. We provided services of general economic interest in all projects in Slovenia and implemented energy management on all projects and all markets. In the existing projects, we regularly fulfil our contractual obligations and achieve, or even exceed, the contractually ensured electricity savings.

## Optimisation of drinking water supply systems

We endeavour 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.

In the period concerned, activities continued on currently the largest project of operational optimisation and ensuring drinking water savings in Croatia (ordered by Vodovod Slavonski Brod). We successfully completed the upgrade of the Aquis software for efficient water distribution management within measuring areas of the water system managed by JP VOKA Snaga Ljubljana. An analysis of the operating conditions of the two previously separate parts of the central water supply system is underway with the purpose to prevent potential risks in drinking water supply in case of emergency, that is, water plant failure.

At the beginning of the year, we started the follow-up maintenance works for the largest water loss reduction project in Slovenia to date, in the City of Kranj, where we saved more than 1.9 million m<sup>3</sup> of drinking water over a period of 10 years by having digitalised infrastructure and management processes.

At the end of March, we organised an international professional meeting "Water systems" for 30 participants from Slovenia and Croatia.

## Optimisation of district heating systems

District heating is a key factor of the green transition which is a long-term process and includes a comprehensive transformation of the society with the goal to achieve climate neutrality. The key strategic document at EU level is the Green Deal which aims at climate neutrality for the EU by 2050 and at cutting CO<sub>2</sub> emissions by 55 percent by 2030 compared to 1990.

Heat generation is one of the largest energy consumers and a field where energy efficiency is one of the goals. The main guidelines for the development of smart district heating systems are to reduce energy consumption, ensure cost-efficiency, and take measures to increase renewable energy sources through the simultaneous digitisation of the system. Through forecasting and mathematical modelling, we can determine the needs of district heating

systems, providing a comprehensive and intuitive overview of the situation at all points in the network and the impact of system changes on the primary energy source. Through digitalisation, we ensure that heat losses are reduced and system operating costs minimised, while maximising efficiency and supporting decarbonisation and ensuring grid optimisation.

In the period concerned, we fulfilled our contractual obligations with an external partner to HEP on district heating projects (Zagreb, Sisak, Osijek), extended the contract with the partner Energetika Ljubljana for the provision of support and updating the Termis software, and implemented regular maintenance work on the district heating system at Komunala Velenje, Energetika Ljubljana and Energetika Maribor.

The monitoring of the Koper, Maribor, Železniki, Trbovlje, and Velenje systems continued. The agreement with EVN Wärme, Austrian company for heat generation and distribution, was renewed for 2023. For Domplan, we are implementing the heating substation upgrade and the SCADA<sup>1</sup> system migration, which is also implemented in the existing heating substations. Seven heating plants of JKP Beogradske elektrane are being monitored and optimised. We are expecting a new invitation for tenders by JKP Beogradske elektrane in the second quarter of 2023.

## **Wastewater treatment**

Ensuring safe and reliable water supply is one of the key challenges of the 21<sup>st</sup> century; therefore, the quality of water resources is of 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.

The procedures of phase II of the concession agreement or upgrade of the Sežana municipal purification plant from 6,000 PE to 12,000 PE are underway; the phase is expected to be completed in 2024. We successfully fulfilled all obligatory services of general economic interest for wastewater treatment on all projects. We actively cooperate in the preparation of new projects in the industry and after-sales services for the existing clients.

As a wastewater treatment operator, we also cooperate in the installation and rehabilitation of small purification plants at Petrol's points of sale in Slovenia and Croatia in the context of Crodux point of sale renovation.

## **Industrial solutions**

In the field of industrial 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 customers in the relevant fields.

### 6.3.2 Heat systems

In the segment of heat systems, we generated sales revenue of EUR 18.5 million in the first three months of 2023.

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 supply advantages such as higher energy efficiency, environmental protection, straightforward operation and maintenance, reliability, comfort, and convenience, lower cost of investment, and lower costs of operation and maintenance.

Heat distributors must ensure that at least 50 percent of heat is produced from renewables (biomass, geothermal energy...) or at least 75 percent from high-efficiency co-generation of heat and power or 50 percent as a combination of heat from the two abovementioned sources.

At the end of March 2023, we operated **29 district heating systems** in Slovenia, of which 16 are concessions and concession agreements are signed for their operation with municipalities. Ten district heating systems are proprietary and three are market distribution systems.

Large-scale reconstruction continues at the Hrastnik Heat Plant in 2023, involving the replacement of natural gas cogeneration and two natural gas boilers with the total power of 7 MW and the installation of a new 1 MW biomass boiler. Apart from GHG reduction, the objective of reconstruction is to ensure reliable heat generation using various energy sources at the lowest price possible, which is important in the period of volatility on the energy market.

In the first three months of 2023, the Petrol Group sold 72.1 thousand MWh of heat, a year-on-year decrease of 14 percent, due to the higher temperatures compared to the same period last year and due to cost-saving measures taken by customers as a result of the high prices of heat and natural gas.

### 6.3.3 Natural gas distribution

In the first three months of 2023, the Petrol Group generated sales revenue of EUR 5.8 million in the segment of gas distribution.

At the end of March 2023, the Petrol Group operated **31 concessions** for natural gas supply in Slovenia. In Serbia, we supply natural gas to the municipalities of Bačka Topola and Pećinci and three municipalities in Belgrade. Since the end of 2018, the Petrol Group has been present in the Croatian market with Zagorski metalac d.o.o. which distributes natural gas in certain municipalities of the Zagorje-Krapina and Zagreb Counties.

Activities in all markets have been, and in the coming months will be, focused primarily on completing minor infrastructural facilities and maintenance, which will enable maximum cost optimisation. Due to the high costs of energy and consequently lower purchasing power, the natural gas consumption decreased and customers transferred to less costly energy commodities, which is why we are faced with disconnections by minor customers.

In the first three months of 2023, the Petrol Group distributed 490.3 thousand MWh of natural gas, a year-on-year decrease of 10 percent. Distribution was lower due to the exacerbated situation in the field of energy, the high prices of natural gas and the higher average temperatures compared to the same period last year.

### **6.3.4 Energy commodities**

#### **Natural gas sales and trading**

At the end of March 2023, the Petrol Group had 55 thousand natural gas customers (excluding the Geoplin Group's customers). In the first three months of 2023, 3.5 TWh of natural gas was sold to end customers, down by 4 percent compared to the same period of 2022. The volumes sold in trading in the first three months of 2023 stood at 1.1 TWh.

The volume of sales increased because of supply to new end customers who were forced to change their previous suppliers, namely E.ON Ljubljana d.o.o., Domplan d.d. Kranj, Komunalno podjetje Vrhnika, d.o.o., Komunalno podjetje Velenje, d.o.o. and Energetika Celje, d.o.o., who stopped supplying gas. In the first three months of 2023, the volume of sales to the current customers decreased by 18 percent year-on-year.

The reduced supply of natural gas was a result of the call and adoption of EU regulation on a voluntary reduction of natural gas demand by 15 percent compared to the member states' average consumption in the past five years, between 1 August 2022 and 31 March 2023; member states can freely decide which measures to take to meet the reductions. The Slovenian government implemented these guidelines by adopting the Act on Measures for Management of Crisis Conditions in the Field of Energy Supply. The high prices of natural gas also contributed to a reduced supply – customers were more focused on generating savings; some customers who had an option to transfer to an alternative energy commodity started using heating oil and liquefied petroleum gas.

The security of natural gas supply was stable due to the mild winter and storage facilities in the EU were still around 55 percent full even at the end of the winter of 2022/2023. In the relevant period, the majority of EU member states still had the early warning level in place in line with the acts regulating extraordinary situation in natural gas supply.

The situation regarding natural gas prices is gradually settling down. The natural gas prices have dropped to a level of around 60 EUR/MWh.

As a result of the regulated retail price of natural gas, the suppliers of natural gas are entitled to a compensation for the damage in the amount equalling the difference between the maximum market price of energy and the lower regulated retail price.

#### **Electricity sales and trading**

The Petrol Group is still actively present on EU electricity markets where the situation was quite calm at the beginning of 2023. The mild winter and a steep drop in electricity consumption by the economy resulted in a drop in electricity prices, which was certainly welcome for the exhausted economy. Due to the regulated electricity prices which includes practically all segments of customers, the number of households and businesses that changed suppliers

dropped, while large business customers are still looking for the most cost-effective supplier in the current market situation. As a result of the effect of the regulated electricity price on operations, electricity suppliers are entitled to a compensation for the difference between the higher market price of energy and the lower regulated retail price. We are expanding sales of electricity to end customers (businesses and households) to SE Europe. At the end of March 2023, the Petrol Group had 222 thousand electricity customers.

B2C sales amounted to 0.8 TWh in the first three months of 2023, a decrease of 14 percent compared to the same period last year. The volumes sold in trading in the first three months of 2023 stood at 1.9 TWh.

### 6.3.5 Mobility

#### Charging infrastructure

The development of charging infrastructure is based on key partnerships with the largest energy companies, municipalities, and transport businesses in Central and South-Eastern Europe in the framework of three projects co-financed by the European Commission. In the first three months of 2023 we completed the final report for the NEXT-E project and submitted it to the European Commission; we expect to receive the outcome in the second quarter of 2023. In the context of the URBAN-E project, we organised an on-line event in January where we presented the project results achieved with key stakeholders in the field of urban e-mobility, namely representatives of the European Commission's Directorate-General for Mobility & Transport, European Climate, Infrastructure and Environment Executive Agency (**CINEA**), Eurocities, Ministries of Infrastructure of Slovenia and Slovakia, project partners, energy companies, and EV-charging service providers. We started preparations for the implementation of the last project audit for 2022 and we continued to manage the MULTI-E project. The common denominator of all three projects that combine and influence both segments of mobility is the implementation of global guidelines for the transition to alternative fuels, decarbonisation and transport innovation. To this end, we are setting up a charging infrastructure network for alternative energy sources, primarily for electric vehicles, and developing smart mobility services.

#### A fast-charging station at the Rudnik West outlet in Ljubljana, part of the URBAN-E project



Source: Petrol archive

In Zagreb, we commissioned 14 public chargers (13 AC and 1 DC<sup>3</sup>) at 6 locations in the first three months of 2023.

Through the **MULTI-E project**, we will further expand our market presence with new types of charging stations in Slovenia and Croatia and, when the opportunity arises, enter the market of northern Italy. In the first three months of 2023, we commissioned 2 AC chargers and electrical and building works are underway at four other locations.

In addition to our own investments, we expanded the charging infrastructure by selling charging stations to private and business users in both Slovenia and Croatia. On the business side, we continue to deliver successful sales projects. At the end of February, we set up and commissioned an ultra-fast charger for buses at Marprom. We were also successful in the public tender issued by the Faculty of Computer and Information Science where we will deliver and install 4 slow chargers and prepare everything necessary for the installation of additional 12 chargers in 2023.

### Ultra-fast charger – Marprom



Source: Petrol

In the first three months of 2023, the number of users increased by 10 percent, charging sessions rose by 43 percent and the transmitted energy increased by 62 percent year-on-year.

The recognisability of Petrol's charging network is increasing. By collaborating and networking on an international platform, we have expanded our cooperation to 42 partnerships with charging service providers.

By the end of March 2023, the Petrol Group operated 427 EV chargers.

### Mobility services

In the area of mobility services, we develop services related to new concepts and forms of mobility. With Atet d.o.o., which is fully owned by Petrol d. d., Ljubljana as of 12 January 2023, we offer the market fleet management services and provide mobility through long-term and short-term vehicle leasing. In addition, we aim to be a partner to companies and municipalities in the green transition and in achieving their sustainability goals through fleet electrification.

Companies that are committed to operating more sustainably or optimising their business efficiency are increasingly turning to alternative forms of mobility, such as giving up their own vehicles and using experts to help them manage their own fleets. We offer integrated mobility solutions in fleet management, long-term corporate leasing, short-term vehicle rental, door-to-

door services and fleet analysis and optimisation. Services are also complemented by charging stations and charging solutions.

In the field of long-term rentals, we entered into partnership with Dars d.d., with which we already actively cooperate in the field of vehicle provision. We also continue the vehicle as a service project through which we enable fleet electrification for municipalities and companies. We started offering long-term rentals of used vehicles from our own rent-a-car fleet which allows clients to have immediate access to vehicles – this is our competitive advantage in the times of low availability of vehicles. In the segment of seasonal short-term rentals, our results are on a par with those from last year. A major expansion to international markets via brokers is an important step forward. In the domestic market, we focus more on B2B clients with whom we enter into long-term partnerships. At the beginning of the year, we implemented a pilot car sharing project using Petrol's fleet at the Stegne location in Ljubljana based on which we want to establish the advantages and options of implementing such system in vehicle fleets.

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.

### 6.3.6 Electricity generation

In the first three months of 2023, the Petrol Group generated sales revenue of EUR 4.8 million from the electricity generation.

**Energy generation from renewable sources** is without a doubt one of the key fields of sustainable development in global terms and **an important pillar of the Petrol Group's development** into a modern energy group. The events and turmoil in the energy markets in 2022 are an important indicator of the importance of having own, long-term energy generation sources.

The Petrol Group currently manages two **wind power plants** in Croatia (Glunča and Ljubač), which generated 37.4 thousand MWh of electricity in the first three months of 2023. We are also in the final stage of developing the third with power plant (Dazlina).

In Slovenia, we currently operate 30 **small solar power plants**. In Bosnia and Herzegovina and Serbia, we operate six **small hydropower plants** which had a total output of nearly 4.9 thousand MWh in the first three months of 2023.

The project to build one of the largest **solar power plants** in the region, in the context of three locations surrounding our Ljubač wind park (Suknovci, Vrbnik and Pliskovo) with a total capacity of 22 MW, is in the final phase of implementation.

As part of the Petrol Green project, the installation of solar power plants is underway at 46 locations in the context of the project's first phase. The second and third phases at a total of 41 locations are in the implementation phase approval process. At the same time, activities to obtain documents and the necessary permits for the next project phase which includes around 60 locations are in progress.

At the Petrol Group, we are planning and developing new renewable energy projects in the field of utilising renewable energy sources in Slovenia and the wider region at an accelerated pace.

In the first three months of 2023, the Petrol Group generated 51.6 thousand MWh of electricity, a year-on-year decrease of 1 percent mostly because of the lower co-generation at E 3, d.o.o.

## 7. Major corporate projects

### 'Oil&Gas E2E' supply chain digitalisation

The supply chain digitalisation project is in place in order to optimise logistics. The goals are:

- To digitalise the supply chain for service station supply heating oil and gas delivery and sales of cylinders;
- To optimise transportation (cost reduction, better transparency and control over the location of goods...);
- To track cylinders and liquefied petroleum gas (LPG) supply;
- To gradually migrate from the ERP system in PIS to SAP.

A range of workshops is underway to coordinate business process lists and confirm blueprints. We are starting Phase 1 of application development for the solution of cylinder tracing and LPG supply.

### RES - Suknovci, Vrbnik, Pliskovo

The construction project of one of the largest solar power plants in the region, involving three locations which surround our Ljubač wind park, is in the final implementation phase. The total installed capacity of the power plants is 22 MW. The power plants will start operating once the connections for SPP connection into the grid, testing and commissioning, are implemented.

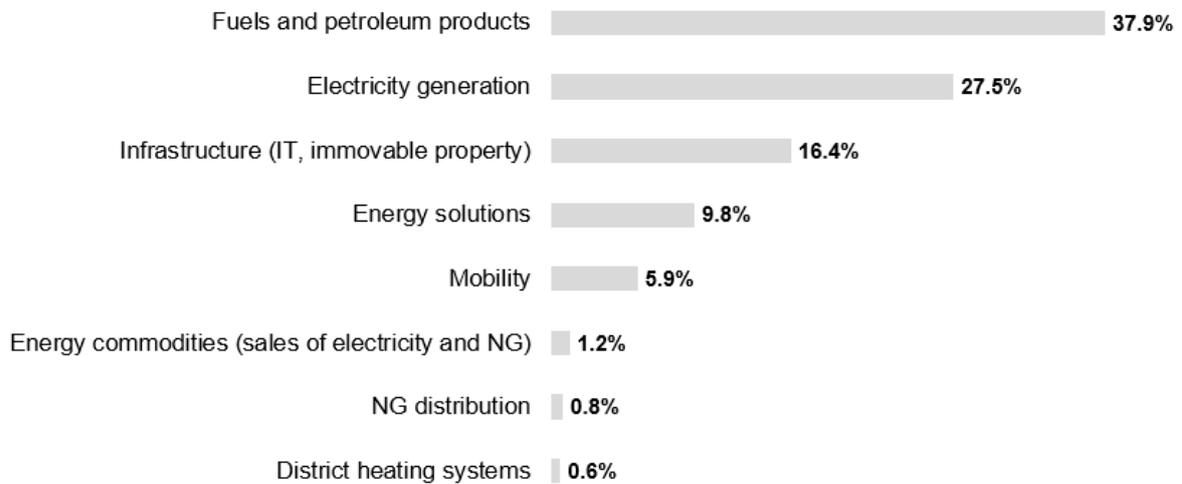
### RES – Petrol Green

We will deploy solar power plants at several Petrol's points of sale, thereby pursuing the sustainable development commitments of the Petrol Group. The installation of solar power plants is underway in the context of project Phase 1 at 46 locations (a total of 2.4 MW). Phases 2 and 3 of solar power plant installation at a total of 41 locations are in the implementation phase confirmation process (a total of 2.1 MW). At the same time, activities to obtain the necessary permits for the project's next phase and expansion to Croatia are underway.

## 8. Investments

In the first three months of 2023, we earmarked a net of EUR 18.3 million for investments in property, plant and equipment, intangible assets and long-term investments, of which 37.9 percent for sales of fuels and petroleum products, 27.5 percent for renewable electricity generation, 16.4 percent for infrastructure (IT, immovable property), 9.8 percent for energy solutions, 5.9 percent for mobility, 1.2 percent for energy commodities, 0.8 percent for natural gas distribution, and 0.6 percent for heating systems. In the first three months of 2023, 45.8 percent of investments were earmarked for the energy transition.

### Breakdown of the Petrol Group's investments in the first three months of 2023



## 9. 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 line with its 2021–2025 strategy, the Petrol Group tailors its business objectives according to its risk management policies and risk appetite.

We continued to implement measures to ensure the safety and health of employees and customers as well as to ensure smooth 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.

In the first three months of 2023, the trend of the booming prices of all energy commodities continued. We monitored closely the Russo-Ukrainian situation which further affected the prices and, consequently, the operations of the Petrol Group. Moreover, the first three months of 2023 also saw changes or limitations regarding the setting of retail and wholesale petroleum product prices in Slovenia, Croatia and Serbia as adopted by governments of individual countries where the Petrol Group is present, which has further affected the operations. Decrees and regulations adopted by individual countries are described in detail in section "The Petrol Group's performance analysis" and sub-chapter "Business environment".

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 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 commodities, 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 delivered uncertainty and challenges in petroleum product supply. Despite the intensified situation, the uninterrupted supply of petroleum products was ensured; nevertheless, there is still great volatility on the market, especially because the supply on the market was greater than demand in the first three months of 2023, also as a result of consumption lagging behind the expectation in the EU. For 2023, we ensured enough commodities in line with the established sanctions at the annual level already prior to the established sanctions.

Electricity operations expose the Petrol Group to price and volumetric risks. In the period from 1 January to 31 March 2023, the prices of electricity, based on the Hungarian power futures in 2024, were more stable than the year before. As at 31 March 2023, the price stood at EUR 165.09 per MWh, down by approximately 26 percent compared to 30 December 2022. Nevertheless, the electricity prices were higher than the average in the period between 2018 and 2020 when the average price of electricity, based on the Hungarian power futures, stood at EUR 53.36 per MWh. The main reason for the high electricity prices is the surge in prices of natural gas resulting from the closure of nuclear power plants in Germany and the war in Ukraine. Such high energy prices lead 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 Petrol 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 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 SEE 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 collection process.

Due to the pandemic and the 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 commodities in recent months have been an additional challenge. In the first three months of 2023, 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. Given the substantial increase in energy prices, we expect credit risks to increase over the period of the next few years. This refers specially to partners in the electricity and natural gas sales segment where the Hungarian power futures price for 2024 (on the European Energy Exchange EEX<sup>1</sup>) was 26 percent lower as at 31 March 2023 compared to the futures price as at 30 December 2022, yet it was still high. As at 31 March 2023, the gas futures price at CEGH<sup>2</sup> for 2024 was 24 percent lower compared to the futures price as at 30 December 2022. In order to limit credit and price risks, a policy was adopted at the end of 2022 for electricity and natural gas sales; it determined a more rigorous method of entering into transactions for 2023. Additionally, a methodology to systematically address higher assumed risks via a higher contract margin (the risk/reward aspect) was adopted.

We estimate that the Petrol Group has been managing credit risk satisfactorily. 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. 72 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 92 percent.

In the area of credit risk management, we closely follow all the procedures of credit insurance companies. The Petrol Group has secured 82 percent of all receivables, which individually exceed a nominal value of EUR 100,000. We monitor customer payments on a daily basis and,

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<sup>1</sup> EEX – European Energy Exchange

<sup>2</sup> CEGH – Central European Gas Hub

where appropriate, adopt measures to reduce credit risk. Despite the negative impact on the economy, payment discipline has not significantly deteriorated so far.

### **Liquidity risk**

The Petrol Group's stability is affirmed by the long-term BBB- rating, which was reaffirmed by S&P Global Ratings in December 2022. 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 Global Ratings methodology. On 20 July 2022, S&P Global Ratings announced on Bloomberg website that it placed Petrol d.d., Ljubljana's long-term rating of BBB- and short-term rating of A-3 on CreditWatch Negative because of the consequences of the negative intervention on the motor fuel market where sellers were forced to sell motor fuels even below the cost as a result of the selling price regulation, and uncertainty as regards the compensation for the loss incurred and the risks related to potential additional interventions on the energy market. Despite the stringent business conditions, S&P Global Ratings reaffirmed Petrol d.d., Ljubljana's long-term rating of BBB- and short-term rating of A-3 with a stable outlook in December 2022.

Despite the high volatility of energy prices and energy price regulations by governments where the Petrol Group operates, the Petrol Group's liquidity position has remained stable both at the level of the group and individual 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. By having obtained additional lines of credit in the second half of 2022, we consolidated the Petrol Group's stable liquidity position, which ensures smooth operations and an appropriate liquidity structure of the Petrol Group under S&P Global Ratings criteria even if the economic situation deteriorates.

The current events in the business and broader social environment in the EU and globally are strongly affected by the war in Ukraine, and the consequently exacerbated situation on the energy markets, the various national approaches to motor fuel price regulation aimed at mitigating the effect of the energy crisis on the population and companies, and high inflation. The Company hence continues to work intensively, paying close 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. Furthermore, we pay close attention to the internal liquidity management in the Petrol Group companies.

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

### **Interest rate risk**

Interest rate risk is a risk that changes in market interest rates could negatively affect the operations of the Petrol Group. The Petrol Group's exposure to the interest rate arises from the potential change of the EURIBOR reference interest rate. 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. In the first three months of 2023, the average values of EURIBOR surpassed the values from the end of 2022.

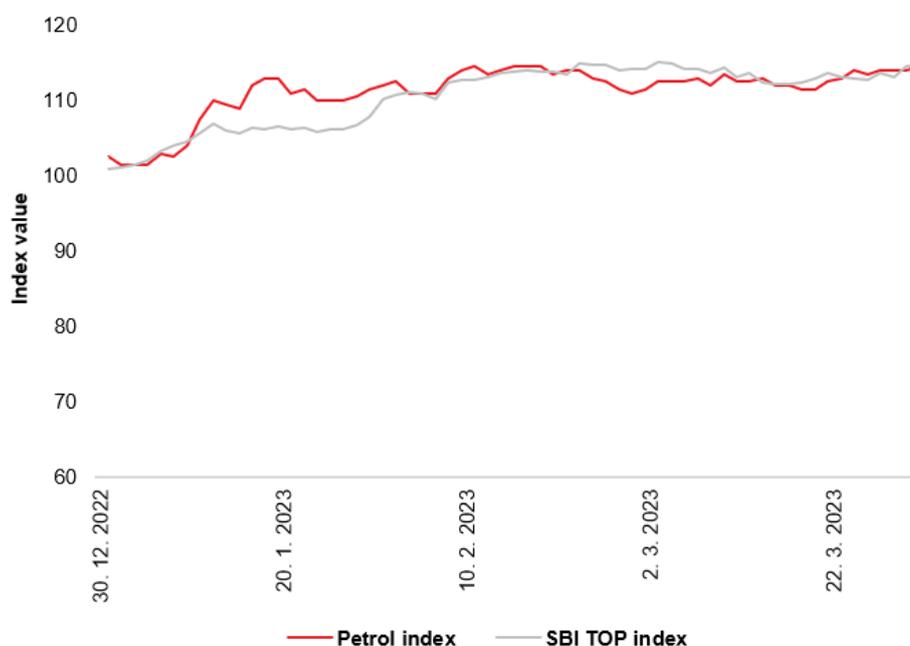
The Petrol Group also manages the interest rate risk by concluding traditional derivative financial instruments (interest swaps and forward interest rate agreements). The Petrol Group has derivative financial instruments for all concluded and drawn long-term loans with a variable interest rate, thereby protecting its interest position.

The interest rate risk referring to short-term financial resources is managed in the context of the Petrol Group's liquidity risks and policies.

## 10. Share and ownership structure

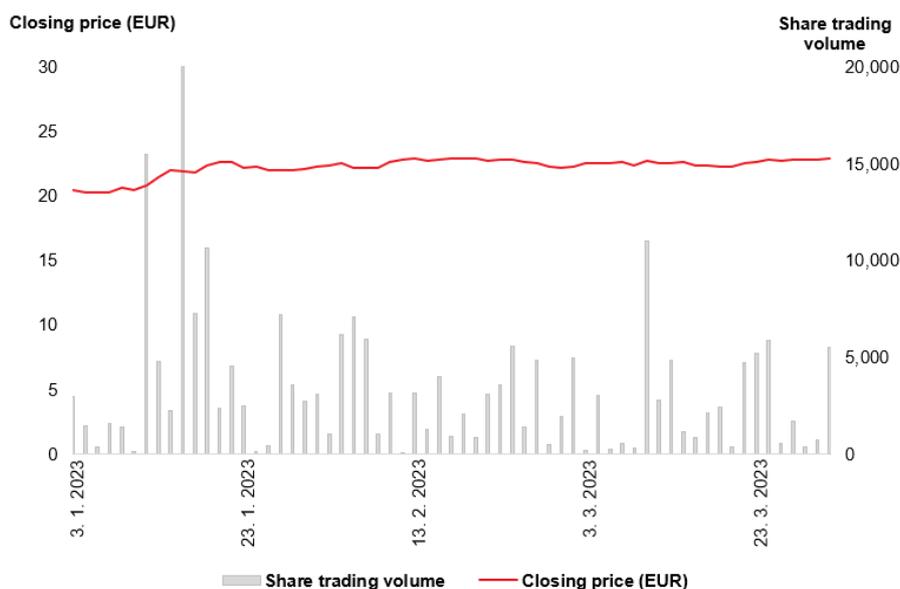
In the first three months of 2023<sup>3</sup>, prices of shares on the Ljubljana Stock Exchange mostly increased compared to the end of 2022. The SBITOP (the Slovenian blue-chip index, which is used as a benchmark and provides information on changes in the prices of the most important and liquid shares traded on the regulated market and which includes Petrol's shares) stood at 1,199.45 at the end of March 2023, up by 14.7 percent compared to the end of 2022 when it stood at 1,046.13. In the same period, the price of Petrol's share increased by 14.5 percent. In terms of the Petrol share trading volume on the Ljubljana Stock Exchange in the period between January and March 2023 (including batch trading), which stood at EUR 4.7 million, the Petrol's share was ranked fifth among the shares traded on the Ljubljana Stock Exchange. In terms of market capitalisation, which stood at EUR 955.5 million as at 31 March 2023, the Petrol's share was ranked third and accounted for 11.0 percent of the total Slovenian stock market capitalisation on the said date.

### Base index changes for Petrol d.d., Ljubljana's closing share price against the SBITOP index in the first three months of 2023 compared to the end of 2022

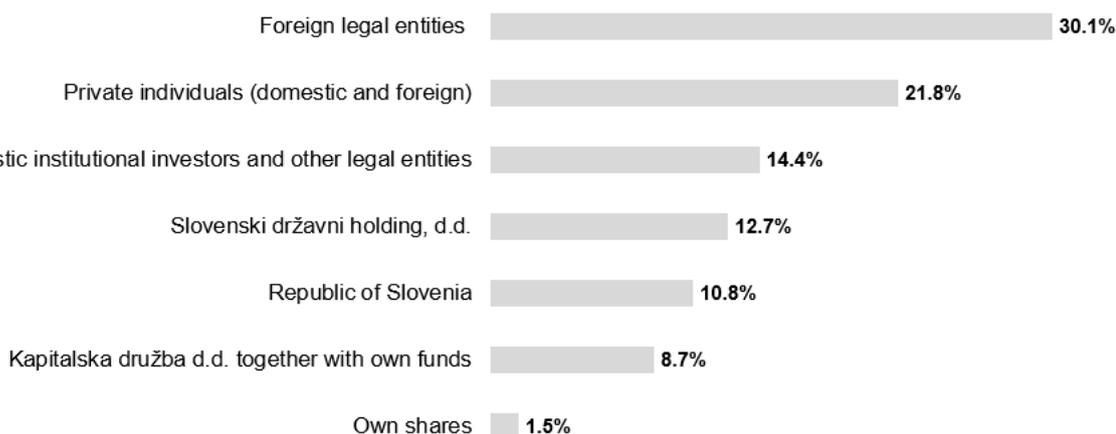


In the first three months of 2023, the Petrol share closing price ranged between EUR 20.3 and EUR 22.9 per share. The average price for the period stood at EUR 22.2; at the end of March 2023, it stood at EUR 22.9. The Petrol Group's earnings per share (EPS) of the majority shareholders stood at EUR 0.61; the Petrol Group's book value per share stood at EUR 21.00. As at 31 March 2023, Petrol d.d., Ljubljana had 21,226 shareholders. At the end of March 2023, 12,599,732 shares or 30.2 percent of all shares were held by foreign legal entities or natural persons. Compared to the end of 2022, the number of foreign shareholders decreased by 0.2 percentage points.

## Petrol share closing price and trading volume on LJSE in the first three months of 2023



## Ownership structure of Petrol d.d., Ljubljana as at 31 March 2023



## Changes in the ownership structure of Petrol d.d., Ljubljana (comparison between 31 March 2023 and 31 December 2022)

Petrol d.d., Ljubljana	31. March 2023		31 December 2022	
	No. of Shares	in %	No. of Shares	in %
Slovenski državni holding, d.d.	5,299,220	12.7%	5,299,220	12.7%
Republic of Slovenia	4,513,980	10.8%	4,513,980	10.8%
Kapitalska družba d.d. together with own funds	3,642,789	8.7%	3,642,789	8.7%
Domestic institutional investors and other legal entities	6,004,654	14.4%	5,906,011	14.2%
Foreign legal entities	12,550,463	30.1%	12,628,247	30.3%
Private individuals (domestic and foreign)	9,100,454	21.8%	9,121,313	21.9%
Own shares	614,460	1.5%	614,460	1.5%
<b>Total</b>	<b>41,726,020</b>	<b>100.0%</b>	<b>41,726,020</b>	<b>100.0%</b>

## Ten largest shareholders of Petrol d.d., Ljubljana as at 31 March 2023

Shareholder	Address	Number of shares	Holding in %
1. CLEARSTREAM BANKING SA - FIDUCIARNI RAČU	42 Avenue J. F. Kennedy, L-1855, Luxemburg	6,479,699	15.53%
2. SDH, D.D.	Mala ulica 5, 1000 Ljubljana	5,299,220	12.70%
3. REPUBLIKA SLOVENIJA	Gregorčičeva ulica 20, 1000 Ljubljana	4,513,980	10.82%
4. KAPITALSKA DRUŽBA, D.D.	Dunajska cesta 119, 1000 Ljubljana	3,452,780	8.27%
5. OTP BANKA D.D. - CLIENT ACCOUNT - FIDUCI	Domovinskog rata 61, 21000 Split, Croatia	2,849,061	6.83%
6. ERSTE GROUP BANK AG - PBZ CROATIA OSIGUR	Am Belvedere 1100 Wien, Austria	1,707,944	4.09%
7. VIZIJA HOLDING, D.O.O.	Dunajska cesta 156, 1000 Ljubljana	1,582,480	3.79%
8. VIZIJA HOLDING ENA, D.O.O.	Dunajska cesta 156, 1000 Ljubljana	1,350,700	3.24%
9. PERSPEKTIVA FT D.O.O.	Dunajska cesta 156, 1000 Ljubljana	725,240	1.74%
10. PETROL D.D., LJUBLJANA	Dunajska cesta 50, 1000 Ljubljana	494,060	1.18%

## Shares owned by members of the Supervisory and Management Board as at 31 March 2023

Name and Surname	Position	Shares owned	Equity share
<b>Supervisory Board</b>		<b>1,760</b>	<b>0.0042%</b>
<b>External members</b>		<b>0</b>	<b>0.0000%</b>
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 Župančič	Member of the Supervisory Board	0	0.0000%
4. Alenka Urnaut	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%
<b>Internal members</b>		<b>1,760</b>	<b>0.0042%</b>
1. Marko Šavli	Member of the Supervisory Board	1,760	0.0042%
2. Alen Mihelčič	Member of the Supervisory Board	0	0.0000%
3. Robert Ravnikar	Member of the Supervisory Board	0	0.0000%
<b>Management Board</b>		<b>80</b>	<b>0.0002%</b>
1. Nada Drobne Popović	President of the Management Board	80	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 2023, the General Meeting of Petrol d.d., Ljubljana did not adopt any resolutions regarding the contingent increase in share capital.

## Dividends

The gross dividend paid in 2022 for 2021 amounted to EUR 30.00 per share (EUR 1.5 gross per share by taking account of the share split of 2 November 2022). The dividend for 2022 will be decided at the 37<sup>th</sup> General Meeting of Petrol d.d., Ljubljana on 18 May 2023. Aiming to ensure stable dividend yield for shareholders, the Supervisory Board and the Management Board will propose at the General Meeting of shareholders of Petrol d.d., Ljubljana, that

dividend for 2022 be paid in the gross amount of EUR 0.70 per share, by taking into account the difficult business situation in 2022, the necessary investments, the free cash flow, the Company's borrowing, development plans, the amount of retained profit from previous years, the appropriate net debt-to-EBITDA ratio, and the liquidity situation.

### **The Petrol (PETG) share split**

On 1 November 2022, Petrol d.d., Ljubljana, executed the PETG share split in the 1:20 ratio (after the split, the number of PETG shares is 41,726,020) in accordance with the resolution adopted at the 34<sup>th</sup> General Meeting of Shareholders, after the effective date of the resolution on the amendment of the Articles of Association by entering such amendment into the Register of Companies, executing a corporate action and implementing the stipulated procedures in the Central Securities Register at KDD d.o.o. and Ljubljanska borza, d.d., Ljubljana. The share capital of Petrol d.d., Ljubljana, amounting to EUR 52,240.977.04 has stayed the same after the PETG share split.

### **Own shares**

Petrol d.d., Ljubljana, did not repurchase its own shares in the period from January to March 2023. As at 31 March 2023, the number of own shares stood at 614,460, representing 1.5 percent of the share capital. This includes 494,060 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 December 2022 and was EUR 8.7 million lower than their market value on that date. The remaining 120,400 shares are considered as own shares which were held by the subsidiary Geoplin d.o.o. Ljubljana at the time it was consolidated into the Petrol Group.

Petrol d.d., Ljubljana's own shares, excluding Geoplin d.o.o. Ljubljana's shares, in total amounting to 722,840, or 36,142 prior to the split, 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.

Pursuant to the resolution adopted at the 34<sup>th</sup> General Meeting held on 21 April 2022, the Management Board of Petrol d.d., Ljubljana is authorised to purchase own shares over a period of 12 months starting on the effective date of the 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. The resolution entered into effect on 30 November 2022.

### **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 2023, we held videoconferences with investors and analysts. In March, we participated in the Ljubljana Stock Exchange's webinar "Slovenian Stock Companies Online".

# SUSTAINABLE DEVELOPMENT

## 11. Responsibility towards the natural environment

At Petrol, we carry out activities related to the sustainability strategy which is focused on the transition to a low-carbon company by taking account of circular economy in partnership with employees and the social environment.

We prepared the Report on Sustainability Activities and Investments for Petrol d.d., Ljubljana, in 2022, pursuant to the Taxonomy Regulation. For 2022, in addition to eligibility, reporting also includes an assessment of the alignment of the activities with the EU taxonomy. In addition to Petrol d.d., Ljubljana, the analysis for 2022 includes direct subsidiaries in Slovenia and Croatia that are also included in the Petrol Group's consolidated financial statements and that also reported operating activity. Taxonomy-aligned activities contributed 0.90 percent of the Petrol Group's sales turnover from products or services or sales turnover in Slovenia and Croatia in 2022 (EUR 83.4 million of a total of EUR 9,211.1 million in sales turnover). In 2022, the Petrol Group's capital expenditure in Slovenia and Croatia amounted to EUR 55.8 million, of which 54.1 percent was capital expenditure for taxonomy-aligned activities. The Petrol Group has no significant operating expenses (OpEx) from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities.

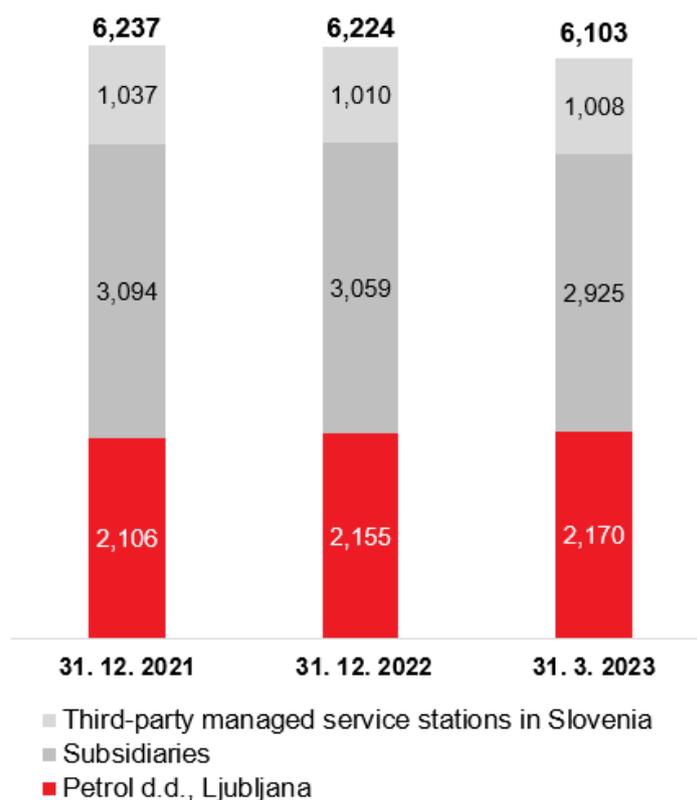
The procedure to obtain the ESG rating from S&P Global Ratings was completed with the implementation of the Profile meeting and the Preparedness meeting. ESG rating evaluates the Company's corporate policy in terms of the environmental, social, economic, and corporate governance policy and its readiness to operate successfully in the future. We expect to receive S&P closing report and evaluation at the end of April.

With the purpose of achieving sustainable operations and managing ESG risks, Petrol has continued to implement, in accordance with TCFD guidelines, the methodology and tool to estimate the effect of climate change risks and opportunities on the operations, strategy, and financial planning.

## 12. Employees

As at 31 March 2023, the Petrol Group had 6,103 employees, of which 45.5 percent worked for subsidiaries abroad. The number of employees at the Petrol Group decreased by 121 compared to the end of 2022, mostly in subsidiaries abroad (a total decrease by 128 employees). At Petrol d.d., Ljubljana, and third-party operated service stations, the number of employees increased by 13.

### Changes in the number of employees of the Petrol Group and at third-party managed service stations in the period 2021–2023



### Training

In the first quarter of 2023, we provided more than **22,875** teaching hours of training and recorded more than **6,343** attendances.

This year, we continued the Strategy in Action programme which we organise in cooperation with IEDC – Bled School of Management. Additional activities were also in place – group and team coaching. Moreover, an additional 66 of our co-workers attended the Professional Development of Managers programme organised by Glotta Nova. In cooperation with colleagues from the Development Need and Project Management segment, we organised education for project managers. In the context of the Open Space, we organised 14 different workshops and events. New employees and latecomers received the Corporate Integrity and How We Communicate at Petrol e-courses for completion.

The legally required trainings were organised without any interruptions, especially fire safety, HACCP, job coaching seminars and other courses at the monthly level. The organisation of e-courses has significantly alleviated the burden on employees because they are now able to attend these courses when permitted by their work obligations. We held a practical presentation of fire extinguishing at the business building on Dunajska 50 to renew our knowledge and engage in a practical test of extinguishing using a simulator.

In the field of B2C sales, we held an on-line in-house training event Energy and Water Management at Points of Sale in the Period of High Energy Prices. We trained in-house coaches for individual work and held 6 training events Energy for Management for managers – Module 1, with the help of an outsourcer, and started Module 2 of Energy for Management, the topic of Coaching Meeting Training.

### 13. Quality control

Quality and excellence are embedded in the Petrol Group's strategy for the 2021-2025 period, which is why we are constantly upgrading and expanding our quality management systems. Petrol has the following **certified systems**: quality management system (ISO 9001), environmental management system (ISO 14001), and energy management system (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, of the ISO 45001 occupational health and safety system and of the ISO 27001 information security system. Petrol d.d., Ljubljana has a Responsible Care Certificate for its activities relating to storage, logistics and the retail network of service stations in Slovenia, an FSC certificate for the sale of FSC-certified products, and an ISCC certificate for trading and storing renewable energy sources.

Regular activities related to the maintenance of the quality management systems have been in place in 2023. At the end of 2022, a surveillance audit was carried out at the Inspection Body accredited in accordance with the SIST EN ISO/IEC 17020:2012 (General criteria for the operation of various types of bodies performing inspection), which has 13 accredited test methods for the inspection of flow and tyre pressure measuring devices, of pressure equipment, of the tightness of fixed steel reservoirs, of the wall thickness of liquid fuel reservoirs, of the measurement of the dielectric strength of liquid fuel reservoir insulation and of the measurement of noise in the natural and living environment. The validity of the accreditation certificate was extended.

In January 2023, a surveillance audit of the energy management system was performed at Petrol d.d., Ljubljana. The validity of the certificate was preserved.

At Petrol d.o.o., Beograd, a recertification audit under the ISO 9001, ISO 14001 and ISO 45001 standards was conducted in respect of the Industrial Equipment Sale, Engineering and Project Management Process. The validity of the certificates was extended until 2026.

At Beogas d.o.o., a surveillance audit of the ISO 9001:2015 quality management system was conducted in March 2023. 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 2024.

#### 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	EQTM, 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 45001:2018

\* 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 FSC certified product sale. 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.

## 14. Social responsibility

Engaging in social and environmental issues has been part of Petrol's operations for a number of years. The demands and challenges of our time are addressed 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.

Through the **Our Energy Connects** project, we have helped organisations and individuals in the local environment, granted funds to various associations, societies, schools, etc. for more than a decade. In the first three months of this year, we collected Petrol's Golden Points for humanitarian purposes. Donations made by Petrol's buyers via Golden Points were given to the Red Noses and the Slovenia Forest Service, EUR 20 thousand to each.

Petrol Group employees have an opportunity to become sustainability ambassadors. The aim of our Me Too! Portal is to establish closer cooperation and ties between employees in the field of environmental awareness and sustainable activity in reducing the carbon footprint. Moreover, employees are obliged to follow the instructions for efficient use of heating, cooling, ventilation, lighting and electrical devices, which is promoted by the Be the Hero of Your Environment! Campaign.

Petrol has been one of the major supporters of sports, arts and the society for a number of years. Through sponsorships and donations, we support the development of various sports disciplines and the success and development of athletes in Slovenia and Croatia. We sponsor individual top athletes and promising young athletes, clubs and associations, and sports events at the international, national and local levels.

By the end of March, we collected more than EUR 110 thousand for talented skiers in the Ski Cents charity campaign. In addition to Petrol and the campaign partners, donations were made by more than 100 thousand Petrol's clients. By selling the GlassyClassy bottles in cooperation with Rotary Slovenia and the Slovenian Olympic Committee in the charity project **Donate a Smile**, we collected funds for the humanitarian programme Sponsorship in Sports to provide scholarships for young athletes from socially less advantaged environments; at the same time the project was aimed to promote a cleaner environment.

We also took part in the biathlon world cup in Pokljuka, competitions of the world cup ski jumping for ladies in Ljubno, and Slovenian football and basketball national team world cup qualifiers.

In addition to sports sponsorships, the Petrol Group takes part in technical projects linked to various energy and environmental activities. As a sponsor, we continued to support conferences, symposiums and events on sustainable development, energy efficiency and e-mobility, management, marketing and public relations.

# OTHER INFORMATION

## 15. 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 society and the development of new technologies are transforming established ways of how energy commodities 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.

Petrol Group's strategy 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 commodities, 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 commodities 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 commodities and energy transition services and invest in renewable electricity production; and
- 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 below 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 strategic 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.

By achieving the goals, we will strengthen the 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 the long-term growth and development of the Group, maximising its value for the owners. The dividend policy target for the 2021–2025 strategic period is 50 percent of the Group's net profit, taking into account the investment cycle, Group indicators and the achieved objectives.

The turbulence in the energy markets, high inflation and the resulting regulatory intervention by governments in the pricing of energy products have severely impacted the Petrol Group's operations. The Petrol Group's business model as a petroleum retailer does not allow it to cover all costs given the purchase prices which enable refineries to make their profits during the period of retail price regulation. The changed circumstances required the Petrol Group to adjust its capital expenditure already in 2022. Energy transition projects continue to account for the bulk of our investment funds. In the light of current developments in the energy markets, the Petrol Group will revise its business plan for the next five-year period in early 2024, if necessary.

## 16. Business plan for 2023

### 16.1 Business environment

The Petrol Group's Business Plan for 2023 was drawn up in a context of great uncertainty, mainly related to the situation on the energy markets. Economic growth is slowing down. The embargo on Russian crude oil and petroleum products is tightening supply conditions and increasing the risk of further deterioration in the economic outlook in countries that are important trading partners of Slovenia. Inadequate regulation of the prices of petroleum products and cost pressures due to high inflation in 2022 and expected inflation in 2023 require adjustments to business models and cost optimisation. 2022 was characterised by extreme price fluctuations for petroleum products and other energy products, as well as government regulation. As one of the key drivers of the energy transition in the region, the Petrol Group is faced with a shortage of funds for investments in the green transition, mainly due to the impact of regulation.

### 16.2 Key trends and risks in the Business Plan for 2023

Based on economic forecasts, the Petrol Group plans to increase its sales of petroleum products in 2023 compared to the 2022 plan. In the area of merchandise and services, the Petrol Group will continue to ensure fast and convenient purchases for the consumer and an excellent customer experience. In electricity and natural gas sales, Petrol will maintain its market share in Slovenia. In 2023, the Petrol Group will increase the number of proprietary and non-proprietary EV charging stations. It will actively promote energy independence, efficiency and renewable energy in Slovenia and other Central European countries. The share of green energy generation from successful renewable energy projects in the region will increase. In the area of energy solutions, most activities will be focused on the industrial and household segments. We will continue to focus on cost-efficiency. Through process optimisation and other measures, we aim to achieve a cost-to-adjusted gross profit ratio of 77 percent in 2023.

The Petrol Group recognises that despite careful preparation, informed business decisions, quick responses to changes and an efficient risk-management system external factors may arise in the business environment that are beyond its direct control. As a result, there is a risk that annual targets may not be met. We have already seen this in the time of the COVID-19 pandemic, and even more so during the energy crisis in 2022.

The **key risks** to the achievement of the 2023 business plan are the negative impact of the energy crisis on inflation and the resulting increase in the cost of living, and the management of higher operating costs. Other risks to the 2023 plan include:

- disruption to supply chains and the impact on the economy;
- tightening of purchasing conditions for petroleum products;
- further tightening of energy product retail price regulation;
- impact of the Energy Savings Requirements Act in Slovenia and Croatia;
- possible amendment of the Decree on the promotion of the use of biofuels and other renewable fuels for the propulsion of motor vehicles;
- uncertainty when selling into the highly volatile EU markets;
- other regulatory requirements.

### 16.3 Business targets for 2023

For 2023, the Petrol Group projects **sales revenue of EUR 10.2 billion and adjusted gross profit of EUR 675.0 million**. The Petrol Group will achieve its planned results for 2023 through the sale of 4.0 million tons of fuels and petroleum products, merchandise in the amount of EUR 544.8 million, 14.5 TWh of natural gas, 12.9 TWh of electricity (trading and sales to end customers), 154.6 thousand MWh of heat, the production of 188.4 thousand MWh of electricity, and the sale of energy and environmental solutions.

For 2023, the Petrol Group projects **EBITDA of EUR 250.4 million** and net debt/EBITDA ratio of 1.7. The latest known energy product price regulations were taken into account in the preparation of the business plan. Regulation of petroleum product margins continues to have a negative impact on the Petrol Group's performance.

For 2023, the Petrol Group plans to generate **net profit of EUR 117.1 million**.

The Petrol Group's **investment policy** for 2023 will be focused on expanding the business in the area of renewable electricity production, digitising the supply chain, modernising its points of sale and expanding its operations in the area of energy and environmental solutions. Price regulation remains in place in 2023, and investment volumes have been adjusted accordingly. In 2023, **investments** will amount to **EUR 75.0 million**, one-third of which will be spent on energy transition projects, while the Strategic Business Plan for 2023 foresees investments of EUR 135.0 million.

Before the onset of the energy crisis and the resulting price regulation, the Petrol Group was in a very good business and financial shape. In 2022, the negative impact of energy price regulation on the Group's business resulted in a significantly weaker finish than planned. We expect 2023 to be a challenging year, so we will focus a lot of attention on optimising business processes and, as a result, optimising costs. We will meet the high performance standards recognised by S&P Global Ratings. Despite the difficult business conditions, the Group will continue to pursue its goal of ensuring stable operations, thus delivering a reasonable return for shareholders.

#### 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.

Major risks include:

- disruption to supply chains and the impact on the economy,
- tightening of purchasing conditions for petroleum products,
- regulation of selling prices of energy,
- meeting the requirements regarding biocomponent blending in Slovenia and Croatia,
- possible amendment of the Decree on the promotion of the use of biofuels and other renewable fuels for the propulsion of motor vehicles,
- sales to extremely volatile EU markets,
- other regulatory requirements,
- higher growth of energy prices than expected,
- inflationary pressure on costs.

## 17. Alternative performance measures

To present its business performance, the Petrol Group also uses alternative performance measures (APMs) as defined by ESMA (The European Securities and Market Authority). 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 + Net Allowances for operating receivables + 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	Operating costs = Costs of materials + Costs of services + Labour costs + Depreciation and amortisation + Other costs	The criterion is important in terms of the cost-effectiveness of operations.
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 6.9 million in the period from January to March 2023 and EUR 6.2 million in the period of January to March 2022.	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 17.8 million in the period from January to March 2023) + Non-current investments (EUR 1.3 million in the period from January to March 2023) – Disposal of fixed assets and reimbursements (EUR 0.8 million in the period from January to March 2023).	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.

## 18. General Meeting of Petrol d.d., Ljubljana

The General Meeting of Shareholders of Petrol d.d., Ljubljana, will be held on 18 May 2023.

## 19. Supervisory Board of Petrol d.d., Ljubljana

Composition of the Supervisory Board did not change in the first three months of 2023. It consists of President Janez Žlak, Deputy President Borut Vrviščar, and Members Mário Selecký, Mladen Kaliterna, Alenka Urnaut, Aleksander Zupančič, Alen Mihelčič, Robert Ravnikar and Marko Šavli.

## 20. Credit rating

S&P Global Ratings reaffirmed Petrol d.d., Ljubljana's "BBB-" long-term rating and "A-3" short-term credit rating with a stable outlook on 12 December 2022.

## 21. Events after the end of the accounting period

The Croatian Energy Regulatory Agency (HERA) adopted a new methodology in April 2023 to regulate the retail prices of natural gas in Croatia and introduce a 15-day reference period for determining the selling prices of gas instead of the previous 11-month period.

The change has a retroactive effect on the contractual relationships between the Petrol Group companies and our customers because the changed methodology does not take into account the actual value of the price of purchased gas which has a negative effect on the Petrol Group's operations. It is currently not yet known if the state will provide any compensation due to the changed methodology. Since the method and amount of the resulting damage are not yet known, it is not possible to provide an estimate of the total effect of the price regulation and the expected compensation for the damage from the state.

Given that the methodology was adopted after 31 March 2023 and the aforementioned uncertainty, the conditions for recognising the effects of the natural gas price regulation on the Croatian market were not yet fulfilled as at 31 March 2023.

An action for compensation of the damage of EUR 106.9 million resulting from the capped motor fuel prices in 2022 was filed against the Republic of Slovenia on 16 May 2023.

On 16 May 2023, Geoplin d.o.o. Ljubljana initiated an arbitration procedure against Gazprom Export LLC on the grounds of a breach of the natural gas supply agreement. Due to the corporate guarantee being enforced by Gazprom Export LLC., Geoplin d.o.o. Ljubljana filed a request for arbitration together with Petrol d.d., Ljubljana.

There were no other events after the reporting date that would significantly affect the financial statements for the first three months of 2023.



# FINANCIAL REPORT

## 22. 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 2023	1-3 2022	1-3 2023	1-3 2022
Sales revenue	25.1	1,826,497,200	1,936,817,792	1,405,926,480	1,396,446,126
Cost of goods sold		(1,714,605,475)	(1,774,584,941)	(1,320,966,424)	(1,302,875,647)
Costs of materials	25.2	(20,396,790)	(11,039,866)	(17,856,262)	(9,128,455)
Costs of services	25.3	(41,852,922)	(41,937,355)	(32,269,071)	(31,495,825)
Labour costs	25.4	(36,691,778)	(32,299,251)	(23,075,088)	(20,348,470)
Depreciation and amortisation	25.5	(23,593,200)	(22,476,575)	(11,187,148)	(11,329,766)
Other costs	25.6	(8,044,280)	(11,476,118)	(4,987,440)	(8,040,314)
- of which net allowance for trade receivables		(1,513,590)	(4,186,705)	(384,113)	(3,293,035)
Gain from derivatives	25.7	71,485,189	114,429,195	71,663,210	116,633,230
Loss from derivatives	25.7	(54,903,413)	(119,986,990)	(51,574,120)	(116,482,379)
Other income	25.8	36,301,055	1,607,748	22,423,476	788,087
Other expenses		(172,674)	(166,690)	(82,275)	(2,538)
<b>Operating profit or loss</b>		<b>34,022,912</b>	<b>38,886,949</b>	<b>38,015,338</b>	<b>14,164,049</b>
<b>Share of profit or loss of equity accounted investees</b>		<b>230,461</b>	<b>742,846</b>	-	-
<b>Finance income from dividends paid by subsidiaries, associates and jointly controlled entities</b>		-	-	-	-
Finance income	25.9	19,591,761	19,154,803	18,466,841	17,722,572
Finance expenses	25.9	(22,888,608)	(18,918,588)	(19,542,539)	(16,778,422)
<b>Net finance expense</b>		<b>(3,296,847)</b>	<b>236,215</b>	<b>(1,075,698)</b>	<b>944,150</b>
<b>Profit/(loss) before tax</b>		<b>30,956,526</b>	<b>39,866,010</b>	<b>36,939,640</b>	<b>15,108,199</b>
Current tax expense		(7,052,398)	(7,714,797)	(6,692,129)	(3,170,204)
Deferred tax		912,068	257,113	45,199	570,356
<b>Income tax expense</b>		<b>(6,140,330)</b>	<b>(7,457,684)</b>	<b>(6,646,930)</b>	<b>(2,599,848)</b>
<b>Net profit for the year</b>		<b>24,816,196</b>	<b>32,408,326</b>	<b>30,292,710</b>	<b>12,508,351</b>
Net profit for the year attributable to:					
Owners of the controlling company		24,953,034	29,148,235	30,292,710	12,508,351
Non-controlling interest		(136,838)	3,260,091	-	-
Basic and diluted earnings per share attributable to owners of the controlling company	25.10	0.61	0.71	0.73	0.30

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 2023	1-3 2022	1-3 2023	1-3 2022
<b>Net profit for the year</b>	<b>24,816,196</b>	<b>32,408,326</b>	<b>30,292,710</b>	<b>12,508,351</b>
Effective portion of changes in the fair value of cash flow variability hedging	(10,319,521)	12,456,679	(3,203,455)	11,022,263
Change in deferred taxes	1,963,296	(2,352,425)	608,278	(2,094,230)
Change in the fair value of financial assets through other comprehensive income	1,547	-	-	-
Change in deferred taxes	(294)	-	-	-
Foreign exchange differences	243,621	(3,099,526)	-	-
<b>Other comprehensive income to be recognised in the statement of profit or loss in the future</b>	<b>(8,111,351)</b>	<b>7,004,728</b>	<b>(2,595,177)</b>	<b>8,928,033</b>
<b>Total other comprehensive income to be recognised in the statement of profit or loss in the future</b>	<b>(8,111,351)</b>	<b>7,004,728</b>	<b>(2,595,177)</b>	<b>8,928,033</b>
Unrealised actuarial gains and losses	-	-	-	-
<b>Other comprehensive income not to be recognised in the statement of profit or loss in the future</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive income not to be recognised in the statement of profit or loss in the future</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total other comprehensive income after tax	(8,111,351)	7,004,728	(2,595,177)	8,928,033
<b>Total comprehensive income for the year</b>	<b>16,704,845</b>	<b>39,413,054</b>	<b>27,697,533</b>	<b>21,436,384</b>
Total comprehensive income attributable to:				
Owners of the controlling company	18,381,356	36,160,074	27,697,533	21,436,384
Non-controlling interest	(1,676,511)	3,252,980	-	-

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**

(in EUR)	Note	The Petrol Group		Petrol d.d.	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
<b>ASSETS</b>					
<b>Non-current (long-term) assets</b>					
Intangible assets	25.11	243,765,125	245,289,473	152,241,782	151,972,471
Right-of-use assets	25.12	137,310,651	131,620,269	28,143,459	29,237,692
Property, plant and equipment	25.13	855,725,340	854,552,521	364,788,094	366,310,650
Investment property		14,527,076	14,777,108	11,326,759	11,490,836
Investments in subsidiaries	25.14	-	-	555,292,232	554,032,932
Investments in jointly controlled entities	25.15	1,274,844	1,277,748	233,000	233,000
Investments in associates	25.16	57,201,826	56,968,277	26,610,477	26,610,477
Financial assets at fair value through other comprehensive income	25.17	4,112,346	4,112,346	2,117,914	2,117,914
Loans		1,675,584	949,277	54,763,400	59,134,780
Operating receivables		7,248,462	7,015,756	7,240,661	7,007,540
Deferred tax assets		20,520,431	18,190,424	4,640,868	3,987,393
		<b>1,343,361,685</b>	<b>1,334,753,199</b>	<b>1,207,398,646</b>	<b>1,212,135,685</b>
<b>Current assets</b>					
Inventories	25.18	230,502,058	264,849,265	137,955,498	151,178,363
Contract assets		104,796,588	13,319,362	108,047,306	11,722,300
Loans	25.19	2,633,505	1,679,138	51,175,349	41,343,762
Operating receivables	25.20	705,722,673	845,195,344	489,526,348	566,790,889
Corporate income tax assets		19,247,281	23,897,315	11,880,734	11,880,734
Financial assets at fair value through profit or loss	25.21	3,084,197	2,646,334	2,955,213	2,525,437
Financial assets at fair value through other comprehensive income	25.22	35,652,406	38,034,066	31,031,413	33,376,691
Prepayments and other assets	25.23	145,614,794	115,267,863	74,286,914	51,468,197
Cash and cash equivalents		77,185,424	100,962,531	31,285,667	51,203,361
		<b>1,324,438,926</b>	<b>1,405,851,218</b>	<b>938,144,442</b>	<b>921,489,734</b>
<b>Total assets</b>		<b>2,667,800,611</b>	<b>2,740,604,417</b>	<b>2,145,543,088</b>	<b>2,133,625,419</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the controlling company</b>					
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 profit reserves		299,064,598	299,826,206	322,180,686	322,180,686
Fair value reserve		1,811,650	1,810,718	42,539,491	42,539,491
Hedging reserve		11,011,603	17,827,312	24,044,669	26,639,848
Foreign exchange differences		(9,252,934)	(9,496,033)	-	-
Retained earnings		348,529,661	323,576,627	39,837,721	9,545,011
		<b>846,384,895</b>	<b>828,765,147</b>	<b>625,688,502</b>	<b>597,990,971</b>
<b>Non-controlling interest</b>		<b>29,724,963</b>	<b>31,401,474</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>876,109,858</b>	<b>860,166,621</b>	<b>625,688,502</b>	<b>597,990,971</b>
<b>Non-current liabilities</b>					
Provisions for employee post-employment and other long-term benefits		7,835,804	7,836,685	5,898,618	5,898,618
Other provisions		20,118,646	18,210,763	15,290,061	13,381,922
Long-term deferred income		39,592,201	39,931,269	29,323,323	29,581,096
Financial liabilities	25.24	445,554,918	401,613,002	409,282,575	365,355,088
Lease liabilities	25.25	106,699,314	101,100,126	26,384,312	27,331,350
Operating liabilities		2,596,382	2,596,382	2,596,382	2,596,382
Deferred tax liabilities		20,532,579	20,682,541	-	-
		<b>642,929,844</b>	<b>591,970,768</b>	<b>488,775,271</b>	<b>444,144,456</b>
<b>Current liabilities</b>					
Financial liabilities	25.24	117,792,485	96,656,433	246,840,193	225,811,701
Lease liabilities	25.25	18,219,991	17,498,969	3,868,332	3,965,318
Operating liabilities	25.26	894,496,213	1,082,103,909	684,534,549	792,213,281
Commodity derivative instruments	25.27	32,546,796	29,872,456	13,572,714	16,007,602
Corporate income tax liabilities		509,530	1,062,768	6,692,129	-
Contract liabilities	25.28	26,023,654	23,153,575	21,499,898	18,367,017
Other liabilities	25.29	59,172,240	38,118,918	54,071,500	35,125,073
		<b>1,148,760,909</b>	<b>1,288,467,028</b>	<b>1,031,079,315</b>	<b>1,091,489,992</b>
<b>Total liabilities</b>		<b>1,791,690,753</b>	<b>1,880,437,796</b>	<b>1,519,854,586</b>	<b>1,535,634,448</b>
<b>Total equity and liabilities</b>		<b>2,667,800,611</b>	<b>2,740,604,417</b>	<b>2,145,543,088</b>	<b>2,133,625,419</b>

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

## Statement of changes in equity of the Petrol Group

(in EUR)	Called-up capital	Capital surplus	Profit 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 profit reserves							
<b>As at 1 January 2022</b>	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	318,523,082	(789,611)	(858,584)	(8,634,420)	362,184,854	865,645,638	43,052,367	908,698,005
Increase/(decrease) in non-controlling interest						37,054					37,054	(99,654)	(62,600)
<b>Transactions with owners</b>	-	-	-	-	-	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 comprehensive income								10,104,254	(3,092,415)		7,011,839	(7,111)	7,004,728
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	10,104,254	(3,092,415)	29,148,235	36,160,074	3,252,980	39,413,054
<b>As at 31 March 2022</b>	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
<b>As at 1 January 2023</b>	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	299,826,206	1,810,718	17,827,312	(9,496,033)	323,576,627	828,765,147	31,401,474	860,166,621
Increase/(decrease) in non-controlling interest						(761,608)					(761,608)	-	(761,608)
<b>Transactions with owners</b>	-	-	-	-	-	(761,608)	-	-	-	-	(761,608)	-	(761,608)
Net profit for the current year										24,953,034	24,953,034	(136,838)	24,816,196
Other comprehensive income							932	(6,815,709)	243,099		(6,571,678)	(1,539,673)	(8,111,351)
<b>Total comprehensive income</b>	-	-	-	-	-	-	932	(6,815,709)	243,099	24,953,034	18,381,356	(1,676,511)	16,704,845
<b>As at 31 March 2023</b>	52,240,977	80,991,385	61,987,955	4,708,359	(4,708,359)	299,064,598	1,811,650	11,011,603	(9,252,934)	348,529,661	846,384,895	29,724,963	876,109,858

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

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

(in EUR)	Called-up capital	Capital surplus	Profit reserves				Fair value reserve	Hedging reserve	Retained earnings	Total
			Legal reserves	Reserves for own shares	Own shares	Other profit reserves				
<b>As at 1 January 2022</b>	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
Net profit for the current year									12,508,351	12,508,351
Other comprehensive income								8,928,033		8,928,033
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	8,928,033	12,508,351	21,436,384
<b>As at 31 March 2022</b>	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
<b>As at 1 January 2023</b>	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	322,180,686	42,539,491	26,639,848	9,545,011	597,990,971
Dividend payments for 2022										-
Transfer of a portion of 2022 net profit										-
<b>Transactions with owners</b>	-	-	-	-	-	-	-	-	-	-
Net profit for the current year								(3,203,455)	30,292,710	27,089,255
Other comprehensive income								608,278		608,278
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	(2,595,177)	30,292,710	27,697,533
<b>As at 31 March 2023</b>	52,240,977	80,991,385	61,749,884	4,708,359	(2,604,670)	322,180,686	42,539,491	24,044,669	39,837,721	625,688,502

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 2023	1-3 2022	1-3 2023	1-3 2022
<b>Cash flows from operating activities</b>					
<b>Net profit</b>		<b>24,816,196</b>	<b>32,408,326</b>	<b>30,292,710</b>	<b>12,508,351</b>
<b>Adjustment for:</b>					
Corporate income tax		6,140,330	7,457,684	6,646,930	2,599,848
Depreciation of property, plant and equipment, investment property and right-of-use assets		20,384,702	18,988,569	8,906,681	8,865,900
Amortisation of intangible assets	25.5	3,208,498	3,488,006	2,280,467	2,463,866
(Gain)/loss on disposal of property, plant and equipment	25.6, 25.7	(108,238)	(83,973)	(39,065)	(38,050)
Revenue from assets under management		(16,129)	(16,129)	(16,129)	(16,129)
Net (decrease in)/creation of provisions for long-term employee benefits		(1,216)	4,443	-	-
Net (decrease in)/creation of other provisions and long-term deferred revenue		1,566,512	2,106,447	1,650,365	2,289,482
Net goods surpluses		182,092	435,181	(4,233)	9,931
Net (decrease in)/creation of allowance for receivables	25.9	1,513,590	4,064,483	384,113	3,170,813
Net finance (income)/expense	25.9	3,874,069	2,477,096	3,228,301	1,957,671
Share of profit of jointly controlled entities		3,088	(539,462)	-	-
Share of profit of associates		(233,549)	(203,384)	-	-
<b>Cash flow from operating activities before changes in working capital</b>					
		<b>61,329,945</b>	<b>70,587,287</b>	<b>53,330,140</b>	<b>33,811,683</b>
Net (decrease in)/creation of other liabilities	25.28	21,452,614	9,271,170	18,946,428	13,491,468
Net decrease in/(creation) of other assets	25.23	(37,784,182)	(4,071,561)	(25,147,106)	(3,762,449)
Change in inventories	25.18	34,187,740	(12,933,589)	13,227,099	(30,338,371)
Change in operating and other receivables and contract assets	25.20, 25.26,	71,747,871	(173,818,184)	(16,034,302)	(133,832,429)
Change in operating and other liabilities and contract liabilities	25.28	(201,234,343)	69,583,335	(103,514,325)	114,937,248
<b>Cash generated from operating activities</b>					
		<b>(50,300,355)</b>	<b>(41,381,542)</b>	<b>(59,192,066)</b>	<b>(5,692,850)</b>
Interest paid	25.9	(4,448,221)	(2,213,669)	(3,603,609)	(1,410,581)
Taxes paid		(2,890,643)	(4,624,548)	-	(721,579)
<b>Net cash from (used in) operating activities</b>					
		<b>(57,639,219)</b>	<b>(48,219,759)</b>	<b>(62,795,675)</b>	<b>(7,825,010)</b>
<b>Cash flows from investing activities</b>					
Payments for investments in subsidiaries, net of cash acquired	25.14	(1,259,301)	(62,600)	(1,259,301)	(62,600)
Receipts from sale of intangible assets	25.11	9,741	6,570	9,741	5,855
Payments for intangible assets	25.11	(3,486,112)	(1,487,875)	(2,559,519)	(1,237,150)
Receipts from sale of property, plant and equipment	25.13	852,462	803,051	234,999	224,046
Payments for property, plant and equipment	25.13	(19,264,055)	(13,159,445)	(12,172,232)	(9,161,010)
Payments for investment property		-	(36,541)	-	-
Receipts from financial assets at fair value through other comprehensive income	17	309,330	-	-	-
Receipts from loans granted	25.19	407,643	14,038,605	149,184,420	30,813,172
Payments for loans granted	25.19	-	(734)	(152,578,616)	(35,120,000)
Interest received	25.9	1,185,876	753,096	749,950	606,973
<b>Net cash from (used in) investing activities</b>					
		<b>(21,244,416)</b>	<b>854,127</b>	<b>(18,390,558)</b>	<b>(13,930,714)</b>
<b>Cash flows from financing activities</b>					
Payments for lease liabilities	25.25	(4,315,999)	(3,524,467)	(948,017)	(848,057)
Proceeds from borrowings	25.24	557,110,609	307,599,546	709,156,459	421,102,425
Repayment of borrowings	25.24	(497,716,724)	(304,730,158)	(646,939,903)	(442,716,617)
Dividends paid to shareholders		-	(962)	-	(962)
<b>Net cash from (used in) financing activities</b>					
		<b>55,077,886</b>	<b>(656,041)</b>	<b>61,268,539</b>	<b>(22,463,211)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>					
		<b>(23,805,749)</b>	<b>(48,021,673)</b>	<b>(19,917,694)</b>	<b>(44,218,935)</b>
<b>Changes in cash and cash equivalents</b>					
<b>At the beginning of the year</b>					
		<b>100,962,531</b>	<b>100,226,890</b>	<b>51,203,361</b>	<b>57,567,397</b>
Foreign exchange differences		28,642	(163,375)	-	-
Increase/(decrease)		(23,805,749)	(48,021,673)	(19,917,694)	(44,218,935)
<b>At the end of the period</b>					
		<b>77,185,424</b>	<b>52,041,842</b>	<b>31,285,667</b>	<b>13,348,462</b>

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

## 23. 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 2023 and separate financial statements of the company Petrol d.d., Ljubljana for the period ended 31 March 2023. 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 11 May 2023.

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 2022.

The financial statements for the period from January–March 2023 are prepared based on the same accounting policies used for the preparation of financial statements for the year ended 31 December 2022.

#### **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.

#### **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 sale in the name and for the account of third parties,
- 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,
- 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 2023.

## **24. 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.

A product group is the criterion for segment reporting.

Segment reporting is presented in detail in the business report, in chapters *The Petrol Group's business performance* and *Operations by product groups*.

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 petroleum products,
- merchandise and services,
- energy and solutions,
- other.

Fuels and petroleum products consist of:

- sales of petroleum products,
- sales of liquefied petroleum gas sales and other alternative energy products,
- transport, storage and transshipment of fuels,
- revenue from payment cards,
- biomass sales,
- sales of tyres, inner tubes and batteries.

Merchandise and services consist of:

- sales of food products, accessories, tobacco and lottery products, coupons and cards,
- sales of Coffee-to-go, Fresh products,
- sales of automotive products, spare parts, and carwash services,
- sales promotion and other services,
- rental of catering facilities.

Energy and solutions consist of:

- electricity and natural gas sales and trading,
- sales of energy solutions,
- sales of heating systems,
- distribution of natural gas,
- mobility, and
- production of energy products.

Other consist of:

- mining services,
- maintenance services,
- vacation rentals.

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

(in EUR)	Fuels and petroleum products	Merchandise and services	Energy and solutions	Other	Total	Statement of profit or loss
Sales revenue	1,054,224,155	101,687,904	1,126,554,006	2,998,388	2,285,464,453	
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
Cost of goods sold	(721,531,773)	(72,824,260)	(980,191,521)	(37,387)	(1,774,584,941)	(1,774,584,941)
Adjusted gross profit	84,046,218	28,651,498	47,296,998	2,238,137	162,232,851	162,232,851
Operating profit or loss	11,068,484	4,902,773	21,375,436	1,540,256	38,886,949	38,886,949
Depreciation of property, plant and equipment, depreciation	(11,873,952)	(3,831,436)	(6,756,465)	(14,722)	(22,476,575)	(22,476,575)
EBITDA	24,683,806	8,953,563	30,352,963	1,559,897	65,550,229	65,550,229
Depreciation and amortisation						(22,476,575)
Net allowance for trade receivables						(4,186,705)
Share of profit or loss of equity accounted investees						742,846
Net finance expense						236,215
Profit/(loss) before tax						39,866,010

**The Group's operating segments in the period 1 January–31 March 2023:**

(in EUR)	Fuels and petroleum products	Merchandise and services	Energy and solutions	Other	Total	Statement of profit or loss
Sales revenue	1,057,240,420	118,428,532	1,037,420,835	2,411,748	2,215,501,535	
Revenue from subsidiaries	(260,987,611)	(146,832)	(126,488,949)	(1,380,943)	(389,004,335)	
Sales revenue	796,252,808	118,281,700	910,931,886	1,030,805	1,826,497,200	1,826,497,200
Cost of goods sold	(727,763,316)	(84,046,212)	(902,774,148)	(21,799)	(1,714,605,475)	(1,714,605,475)
Adjusted gross profit	68,489,493	34,235,488	8,157,738	1,009,006	111,891,725	111,891,725
Operating profit or loss	5,213,283	9,790,440	19,555,318	(536,129)	34,022,912	34,022,912
Depreciation of property, plant and equipment, depreciation	(12,532,243)	(4,751,681)	(6,261,694)	(47,582)	(23,593,200)	(23,593,200)
EBITDA	18,405,369	14,640,139	26,571,887	(487,693)	59,129,702	59,129,702
Depreciation and amortisation						(23,593,200)
Net allowance for trade receivables						(1,513,590)
Share of profit or loss of equity accounted investees						230,461
Net finance expense						(3,296,847)
Profit/(loss) before tax						30,956,526

**Additional information about geographic areas where the Group operates:**

(in EUR)	Sales revenue		Total assets		Net investments	
	1-3 2023	1-3 2022	31 March 2023	31 December 2022	1-3 2023	1-3 2022
Slovenia	940,201,719	870,636,582	1,599,862,457	1,674,869,418	11,319,024	6,607,596
Croatia	252,677,222	316,458,120	735,730,747	735,407,533	6,497,476	1,030,041
Austria	90,813,005	62,090,994	11,565,204	5,070,379	-	-
Bosnia and Herzegovina	57,715,195	62,271,714	91,837,476	93,997,700	65,202	110,312
Serbia	33,064,643	59,749,009	114,107,181	116,865,024	378,950	372,482
Montenegro	12,453,333	16,652,811	32,996,853	35,279,180	8,389	29,647
Macedonia	2,488,100	1,491,936	240,411	228,555	-	-
Romania	756,617	988,364	526,257	508,318	-	-
Other countries	436,327,366	546,478,262	1,936,924	1,941,861	-	-
	<b>1,826,497,200</b>	<b>1,936,817,792</b>	<b>2,588,803,510</b>	<b>2,664,167,968</b>	<b>18,269,041</b>	<b>8,150,078</b>
Jointly controlled entities			1,274,844	1,277,748		
Associates			57,201,826	56,968,277		
Unallocated assets			20,520,431	18,190,424		
<b>Total assets</b>			<b>2,667,800,611</b>	<b>2,740,604,417</b>		

**25. Notes to individual items in the financial statements**

**25.1 Sales revenue**

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
EU market sales revenue	708,993,955	803,821,011	437,156,988	512,216,486
Domestic sales revenue	940,201,719	870,636,582	804,865,770	760,799,727
Non-EU market sales revenue	177,301,526	262,360,199	163,903,722	123,429,913
<b>Total revenue</b>	<b>1,826,497,200</b>	<b>1,936,817,792</b>	<b>1,405,926,480</b>	<b>1,396,446,126</b>

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Fuels and petroleum products	796,252,808	805,577,991	737,633,146	645,905,480
Merchandise and services	118,281,700	101,475,758	86,534,482	73,047,060
Energy and solutions	910,931,886	1,027,488,520	579,804,442	676,454,637
Other	1,030,805	2,275,524	1,954,410	1,038,949
<b>Total revenue</b>	<b>1,826,497,200</b>	<b>1,936,817,792</b>	<b>1,405,926,480</b>	<b>1,396,446,126</b>

## 25.2 Costs of material

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Costs of energy	18,395,152	8,942,467	16,614,731	7,820,539
Costs of consumables	1,604,186	1,839,140	1,130,456	1,207,584
Write-off of small tools	12,336	21,932	9,874	5,558
Other costs of materials	385,116	236,327	101,201	94,774
<b>Total costs of materials</b>	<b>20,396,790</b>	<b>11,039,866</b>	<b>17,856,262</b>	<b>9,128,455</b>

## 25.3 Costs of services

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Costs of transport services	10,081,470	9,919,556	7,614,740	7,042,482
Costs of service station managers	8,933,300	7,971,599	8,933,300	7,935,103
Costs of fixed-asset maintenance services	5,947,357	7,106,571	4,261,480	5,126,283
Costs of payment transactions and bank services	3,534,979	4,066,601	2,168,875	2,501,073
Lease expenses	3,225,962	3,223,191	2,730,276	2,399,144
Costs of professional services	2,602,062	2,774,998	1,679,068	2,116,427
Outsourcing costs	1,575,809	748,992	1,387,230	692,051
Costs of insurance premiums	1,406,967	1,525,217	744,430	889,762
Costs of fairs, advertising and entertainment	1,179,551	1,599,472	846,031	999,902
Costs of environmental protection services	541,444	428,169	331,682	291,399
Costs of fire protection and physical and technical security	482,426	621,070	353,539	374,369
Reimbursement of work-related costs to employees	387,640	243,138	262,892	140,280
Property management	249,887	231,079	214,647	213,715
Membership fees	123,201	272,269	40,692	46,199
Other costs of services	1,580,867	1,205,433	700,189	727,636
<b>Total costs of services</b>	<b>41,852,922</b>	<b>41,937,355</b>	<b>32,269,071</b>	<b>31,495,825</b>

## Lease costs/expenses

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Depreciation of right-of-use assets	5,678,519	3,755,052	1,095,211	928,756
Finance expenses	1,006,789	976,608	307,321	307,319
Lease expenses	3,225,962	3,223,191	2,730,276	2,399,144
<b>Total recognised costs/expenses</b>	<b>9,911,270</b>	<b>7,954,851</b>	<b>4,132,808</b>	<b>3,635,219</b>

## 25.4 Labour costs

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Salaries	27,203,993	23,781,147	17,273,401	14,757,732
Costs of other social insurance	2,361,898	2,091,508	1,160,823	992,707
Expense for define contribution plan	2,053,498	1,749,831	1,686,022	1,444,286
Transport allowance	1,265,673	947,788	557,907	465,796
Meal allowance	1,211,880	982,326	765,095	670,036
Annual leave allowance	1,093,505	960,358	824,113	811,265
Supplementary pension insurance	506,024	447,705	474,107	416,999
Other allowances and reimbursements	995,307	1,338,588	333,620	789,649
<b>Total labour costs</b>	<b>36,691,778</b>	<b>32,299,251</b>	<b>23,075,088</b>	<b>20,348,470</b>

## 25.5 Depreciation and amortisation

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Depreciation of property, plant and equipment	14,455,111	14,973,496	7,647,392	7,768,083
Depreciation of right-of-use assets	5,678,519	3,755,052	1,095,211	928,756
Amortisation of intangible assests	3,208,498	3,488,006	2,280,467	2,463,866
Depreciation of investment property	251,072	260,021	164,078	169,061
<b>Total depreciation and amortisation</b>	<b>23,593,200</b>	<b>22,476,575</b>	<b>11,187,148</b>	<b>11,329,766</b>

## 25.6 Other costs

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Net allowance for trade receivables	1,513,590	4,186,705	384,113	3,293,035
Environmental charges and charges unrelated to operations	1,423,277	1,344,035	851,452	736,203
Sponsorships and donations	313,620	535,350	294,628	402,312
Disposals/impairment of assets	15,945	16,797	535	1,758
Other costs	4,777,848	5,393,231	3,456,712	3,607,006
<b>Total other costs</b>	<b>8,044,280</b>	<b>11,476,118</b>	<b>4,987,440</b>	<b>8,040,314</b>

## 25.7 Gain/(Loss) from derivatives

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Gain from derivatives	71,485,189	114,429,195	71,663,210	116,633,230
Loss from derivatives	(54,903,413)	(119,986,990)	(51,574,120)	(116,482,379)
<b>Gain/(Loss) from derivatives</b>	<b>16,581,776</b>	<b>(5,557,795)</b>	<b>20,089,090</b>	<b>150,851</b>

## 25.8 Other revenue

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Revenue from claims against Borzen	33,765,107	-	21,025,783	-
Gain on disposal of plan, property and equipment	124,183	100,770	39,600	39,807
Compensation received from insurance companies	116,584	95,324	5,408	13,541
Compensation, lawsuits, contractual penalties received	42,202	73,487	29,083	9,962
Other revenue	2,252,979	1,338,167	1,323,602	724,777
<b>Total other revenue</b>	<b>36,301,055</b>	<b>1,607,748</b>	<b>22,423,476</b>	<b>788,087</b>

Other revenue of the Group/Company includes revenue from claims against Borzen related to the electricity and natural gas compensation in accordance with the Decree adopted at the start of this year. So far, no decision regarding the amount or the payment of compensation has yet been received from Borzen.

## 25.9 Financial income and expenses

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Foreign exchange differences	14,278,074	11,126,308	13,514,194	9,619,506
Gain on derivatives	2,105,298	7,134,771	2,105,298	7,134,771
Interest income	3,208,061	771,259	2,847,349	846,073
Loss allowances for financial receivables reversed	-	122,222	-	122,222
Other finance income	328	243	-	-
<b>Total finance income</b>	<b>19,591,761</b>	<b>19,154,803</b>	<b>18,466,841</b>	<b>17,722,572</b>
Foreign exchange differences	(12,307,689)	(13,678,265)	(9,968,428)	(11,982,953)
Loss on derivatives	(3,498,461)	(1,991,725)	(3,498,461)	(1,991,725)
Interest expense	(6,994,288)	(3,150,505)	(5,986,916)	(2,717,358)
Other finance expenses	(88,170)	(98,093)	(88,734)	(86,386)
<b>Total finance expenses</b>	<b>(22,888,608)</b>	<b>(18,918,588)</b>	<b>(19,542,539)</b>	<b>(16,778,422)</b>
<b>Net finance expense</b>	<b>(3,296,847)</b>	<b>236,215</b>	<b>(1,075,698)</b>	<b>944,150</b>

## 25.10 Earnings per share

	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
Net profit attributable to owners of the controlling company (in EUR)	24,953,034	29,148,235	30,292,710	12,508,351
Number of shares issued	41,726,020	41,726,020	41,726,020	41,726,020
Number of own shares at the beginning of the year	614,460	614,460	494,060	494,060
Number of own shares at the end of the year	614,460	614,460	494,060	494,060
Weighted average number of ordinary shares issued	41,111,560	41,111,560	41,231,960	41,231,960
Diluted average number of ordinary shares	41,111,560	41,111,560	41,231,960	41,231,960
<b>Basic and diluted earnings per share attributable to owners of the controlling company (EUR/share)</b>	<b>0.61</b>	<b>0.71</b>	<b>0.73</b>	<b>0.30</b>

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. Petrol's share is listed on the main board of the stock exchange under the ticker PETG. For both years, the number of shares after the 1: 20 split carried out in November 2022 is taken into account. The total number of PETG shares increased from 2,086,301 to 41,726,020.

## 25.11 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
<b>Cost</b>						
<b>As at 1 January 2022</b>	<b>57,455,821</b>	<b>130,298,591</b>	<b>160,858,241</b>	<b>4,485,643</b>	<b>291,102</b>	<b>353,389,398</b>
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 assets 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)
<b>As at 31 March 2022</b>	<b>59,194,889</b>	<b>130,666,898</b>	<b>159,745,295</b>	<b>2,462,872</b>	<b>381,612</b>	<b>352,451,566</b>
<b>Accumulated amortisation</b>						
<b>As at 1 January 2022</b>	<b>(33,661,809)</b>	<b>(64,796,831)</b>	<b>(19,303)</b>	-	-	<b>(98,477,943)</b>
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
<b>As at 31 March 2022</b>	<b>(35,282,700)</b>	<b>(66,473,710)</b>	<b>(20,479)</b>	-	-	<b>(101,776,889)</b>
<b>Net carrying amount as at 1 January 2022</b>	<b>23,794,012</b>	<b>65,501,760</b>	<b>160,838,938</b>	<b>4,485,643</b>	<b>291,102</b>	<b>254,911,455</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>23,912,189</b>	<b>64,193,188</b>	<b>159,724,816</b>	<b>2,462,872</b>	<b>381,612</b>	<b>250,674,677</b>

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
<b>Cost</b>						
<b>As at 1 January 2023</b>	<b>60,395,388</b>	<b>126,473,005</b>	<b>160,685,312</b>	<b>5,856,605</b>	<b>1,184,866</b>	<b>354,595,176</b>
New acquisitions	175,027	13,771	-	3,276,664	20,650	3,486,112
Disposals/Impairments	(156,643)	-	-	-	(9,741)	(166,384)
Transfers between PPE	-	-	-	(1,815,341)	-	(1,815,341)
Transfer from ongoing investments	1,778,239	-	-	(1,778,239)	-	-
Foreign exchange differences	2,265	3,080	17,771	2,571	-	25,687
<b>As at 31 March 2023</b>	<b>62,194,276</b>	<b>126,489,856</b>	<b>160,703,083</b>	<b>5,542,260</b>	<b>1,195,775</b>	<b>356,125,250</b>
<b>Accumulated amortisation</b>						
<b>As at 1 January 2023</b>	<b>(41,441,264)</b>	<b>(67,864,439)</b>	-	-	-	<b>(109,305,703)</b>
Amortisation	(1,905,015)	(1,303,483)	-	-	-	(3,208,498)
Disposals/Impairments	156,643	-	-	-	-	156,643
Foreign exchange differences	(1,526)	(1,041)	-	-	-	(2,567)
<b>As at 31 March 2023</b>	<b>(43,191,162)</b>	<b>(69,168,963)</b>	-	-	-	<b>(112,360,125)</b>
<b>Net carrying amount as at 1 January 2023</b>	<b>18,954,124</b>	<b>58,608,566</b>	<b>160,685,312</b>	<b>5,856,605</b>	<b>1,184,866</b>	<b>245,289,473</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>19,003,114</b>	<b>57,320,893</b>	<b>160,703,083</b>	<b>5,542,260</b>	<b>1,195,775</b>	<b>243,765,125</b>

### 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
<b>Cost</b>						
<b>As at 1 January 2022</b>	<b>41,934,032</b>	<b>112,044,827</b>	<b>85,266,022</b>	<b>1,879,712</b>	<b>276,793</b>	<b>241,401,386</b>
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)	-	-
<b>As at 31 March 2022</b>	<b>43,688,158</b>	<b>112,549,645</b>	<b>85,266,022</b>	<b>761,552</b>	<b>367,303</b>	<b>242,632,680</b>
<b>Accumulated amortisation</b>						
<b>As at 1 January 2022</b>	<b>(27,058,108)</b>	<b>(58,818,460)</b>	-	-	-	<b>(85,876,568)</b>
Amortisation	(1,429,453)	(1,034,413)	-	-	-	(2,463,866)
<b>As at 31 March 2022</b>	<b>(28,487,561)</b>	<b>(59,852,873)</b>	-	-	-	<b>(88,340,434)</b>
<b>Net carrying amount as at 1 January 2022</b>	<b>14,875,924</b>	<b>53,226,367</b>	<b>85,266,022</b>	<b>1,879,712</b>	<b>276,793</b>	<b>155,524,818</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>15,200,597</b>	<b>52,696,772</b>	<b>85,266,022</b>	<b>761,552</b>	<b>367,303</b>	<b>154,292,246</b>

(in EUR)	Material and other rights	Right to use concession infrastructure	Goodwill	Ongoing investments	Long-term deferred costs	Total
<b>Cost</b>						
As at 1 January 2023	44,279,430	113,143,266	85,266,022	3,697,389	1,172,668	247,558,775
New acquisitions	-	1,369	-	2,537,577	20,572	2,559,518
Disposals	-	-	-	-	(9,741)	(9,741)
Transfer from ongoing investments	1,778,239	-	-	(1,778,239)	-	-
<b>As at 31 March 2023</b>	<b>46,057,669</b>	<b>113,144,635</b>	<b>85,266,022</b>	<b>4,456,727</b>	<b>1,183,499</b>	<b>250,108,552</b>
<b>Accumulated amortisation</b>						
As at 1 January 2023	(32,419,672)	(63,166,632)	-	-	-	(95,586,304)
Amortisation	(1,275,539)	(1,004,927)	-	-	-	(2,280,466)
<b>As at 31 March 2023</b>	<b>(33,695,211)</b>	<b>(64,171,559)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(97,866,770)</b>
<b>Net carrying amount as at 1 January 2023</b>	<b>11,859,758</b>	<b>49,976,634</b>	<b>85,266,022</b>	<b>3,697,389</b>	<b>1,172,668</b>	<b>151,972,471</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>12,362,458</b>	<b>48,973,076</b>	<b>85,266,022</b>	<b>4,456,727</b>	<b>1,183,499</b>	<b>152,241,782</b>

## 25.12 Right-of-use assets

### Right-of-use assets of the Petrol Group

(in EUR)	Right-of-use land	Right-of-use buildings	Right-of-use equipment	Total
<b>Cost</b>				
As at 1 January 2022	77,501,535	64,707,813	6,577,767	148,787,115
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)
<b>As at 31 March 2022</b>	<b>77,263,981</b>	<b>62,859,179</b>	<b>6,617,044</b>	<b>146,740,204</b>
<b>Accumulated depreciation</b>				
As at 1 January 2022	(9,472,503)	(12,534,287)	(4,688,736)	(26,695,526)
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
<b>As at 31 March 2022</b>	<b>(10,674,658)</b>	<b>(14,060,495)</b>	<b>(4,938,497)</b>	<b>(29,673,650)</b>
<b>Net carrying amount as at 1 January 2022</b>	<b>68,029,032</b>	<b>52,173,526</b>	<b>1,889,031</b>	<b>122,091,589</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>66,589,323</b>	<b>48,798,684</b>	<b>1,678,547</b>	<b>117,066,554</b>
<b>Cost</b>				
As at 1 January 2023	79,527,262	60,112,664	25,973,902	165,613,828
New acquisitions	9,848,921	105,235	1,382,865	11,337,021
Disposals	-	(81,729)	-	(81,729)
Foreign exchange differences	12,094	21,617	4,867	38,578
<b>As at 31 March 2023</b>	<b>89,388,277</b>	<b>60,157,787</b>	<b>27,361,634</b>	<b>176,907,698</b>
<b>Accumulated depreciation</b>				
As at 1 January 2023	(10,801,714)	(16,157,504)	(7,034,341)	(33,993,559)
Depreciation	(1,995,947)	(2,257,611)	(1,424,961)	(5,678,519)
Disposals	-	81,729	-	81,729
Foreign exchange differences	(554)	(5,712)	(432)	(6,698)
<b>As at 31 March 2023</b>	<b>(12,798,215)</b>	<b>(18,339,098)</b>	<b>(8,459,734)</b>	<b>(39,597,047)</b>
<b>Net carrying amount as at 1 January 2023</b>	<b>68,725,548</b>	<b>43,955,160</b>	<b>18,939,561</b>	<b>131,620,269</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>76,590,062</b>	<b>41,818,689</b>	<b>18,901,900</b>	<b>137,310,651</b>

## Right-of-use assets of Petrol d.d., Ljubljana

(in EUR)	Right-of-use land	Right-of-use buildings	Right-of-use equipment	Total
<b>Cost</b>				
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)
<b>As at 31 March 2022</b>	<b>32,218,878</b>	<b>2,810,838</b>	<b>5,731,226</b>	<b>40,760,942</b>
<b>Accumulated depreciation</b>				
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
<b>As at 31 March 2022</b>	<b>(6,931,117)</b>	<b>(1,057,881)</b>	<b>(4,468,377)</b>	<b>(12,457,375)</b>
<b>Net carrying amount as at 1 January 2022</b>	<b>25,809,078</b>	<b>911,314</b>	<b>1,154,431</b>	<b>27,874,823</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>25,287,761</b>	<b>1,752,957</b>	<b>1,262,849</b>	<b>28,303,567</b>

(in EUR)	Right-of-use land	Right-of-use buildings	Right-of-use equipment	Total
<b>Cost</b>				
As at 1 January 2023	33,478,119	3,116,757	8,404,753	44,999,629
New acquisitions	-	-	978	978
<b>As at 31 March 2023</b>	<b>33,478,119</b>	<b>3,116,757</b>	<b>8,405,731</b>	<b>45,000,607</b>
<b>Accumulated depreciation</b>				
As at 1 January 2023	(8,672,608)	(1,505,715)	(5,583,614)	(15,761,937)
Depreciation	(557,952)	(167,811)	(369,448)	(1,095,211)
<b>As at 31 March 2023</b>	<b>(9,230,560)</b>	<b>(1,673,526)</b>	<b>(5,953,062)</b>	<b>(16,857,148)</b>
<b>Net carrying amount as at 1 January 2023</b>	<b>24,805,511</b>	<b>1,611,042</b>	<b>2,821,139</b>	<b>29,237,692</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>24,247,559</b>	<b>1,443,231</b>	<b>2,452,669</b>	<b>28,143,459</b>

## 25.13 Property, plant and equipment

### Property, plant and equipment of the Petrol Group

(in EUR)	Land	Buildings	Machinery	Equipment	Ongoing investments	Total
<b>Cost</b>						
As at 1 January 2022	326,139,185	796,182,254	7,259,275	367,201,042	60,437,164	1,557,218,920
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)
Transfers between assets	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)	-
Transfers between investment property	-	-	-	-	(1,294)	(1,294)
Foreign exchange differences	(637,094)	(1,566,326)	(15,249)	(874,696)	(116,363)	(3,209,728)
<b>As at 31 March 2022</b>	<b>325,813,267</b>	<b>798,132,648</b>	<b>5,089,335</b>	<b>401,633,289</b>	<b>29,002,019</b>	<b>1,559,670,558</b>
<b>Accumulated depreciation</b>						
As at 1 January 2022	-	(474,840,389)	(2,975,105)	(221,989,378)	-	(699,804,872)
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
<b>As at 31 March 2022</b>	<b>-</b>	<b>(480,325,732)</b>	<b>(1,823,401)</b>	<b>(228,780,140)</b>	<b>-</b>	<b>(710,929,273)</b>
<b>Net carrying amount as at 1 January 2022</b>	<b>326,139,185</b>	<b>321,341,865</b>	<b>4,284,170</b>	<b>145,211,664</b>	<b>60,437,164</b>	<b>857,414,048</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>325,813,267</b>	<b>317,806,916</b>	<b>3,265,934</b>	<b>172,853,149</b>	<b>29,002,019</b>	<b>848,741,285</b>

(in EUR)	Land	Buildings	Machinery	Equipment	Ongoing investments	Total
<b>Cost</b>						
<b>As at 1 January 2023</b>	<b>326,233,532</b>	<b>825,836,318</b>	<b>4,766,684</b>	<b>402,752,534</b>	<b>46,439,462</b>	<b>1,606,028,530</b>
New acquisitions	-	39,473	1,878	1,535,525	12,806,266	14,383,142
Disposals	(23,450)	(5,996)	-	(4,460,410)	(19,560)	(4,509,416)
Transfers between assets	-	14,366	89	(14,455)	-	-
Transfers between intangible assets	-	-	-	1,806,577	8,764	1,815,341
Transfer from ongoing investments	-	614,486	19,427	1,554,812	(2,188,725)	-
Foreign exchange differences	68,766	123,879	109	45,206	11,915	249,875
<b>As at 31 March 2023</b>	<b>326,278,848</b>	<b>826,622,526</b>	<b>4,788,187</b>	<b>403,219,789</b>	<b>57,058,122</b>	<b>1,617,967,472</b>
<b>Accumulated depreciation</b>						
<b>As at 1 January 2023</b>	-	(507,112,863)	(2,846,356)	(241,516,790)	-	(751,476,009)
Depreciation	-	(7,067,011)	(58,039)	(7,330,061)	-	(14,455,111)
Disposals	-	5,996	-	3,759,196	-	3,765,192
Transfers between assets	-	(5,299)	(89)	5,388	-	-
Foreign exchange differences	-	(52,174)	(100)	(23,930)	-	(76,204)
<b>As at 31 March 2023</b>	-	(514,231,351)	(2,904,584)	(245,106,197)	-	(762,242,132)
<b>Net carrying amount as at 1 January 2023</b>	<b>326,233,532</b>	<b>318,723,455</b>	<b>1,920,328</b>	<b>161,235,744</b>	<b>46,439,462</b>	<b>854,552,521</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>326,278,848</b>	<b>312,391,175</b>	<b>1,883,603</b>	<b>158,113,592</b>	<b>57,058,122</b>	<b>855,725,340</b>

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

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
<b>Cost</b>					
<b>As at 1 January 2022</b>	<b>102,794,116</b>	<b>577,375,427</b>	<b>266,626,550</b>	<b>14,315,883</b>	<b>961,111,976</b>
New acquisitions	-	-	-	4,001,335	4,001,335
Disposals/impairments	(143,543)	(8,104)	(318,253)	-	(469,900)
Transfers between assets	193,874	(22,316)	3,203	-	174,761
Transfer from ongoing investments	-	1,015,727	2,592,910	(3,608,637)	-
Transfers between investment property	-	-	-	(1,294)	(1,294)
<b>As at 31 March 2022</b>	<b>102,844,447</b>	<b>578,360,734</b>	<b>268,904,410</b>	<b>14,707,287</b>	<b>964,816,878</b>
<b>Accumulated depreciation</b>					
<b>As at 1 January 2022</b>	-	(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
<b>As at 31 March 2022</b>	-	(418,963,665)	(183,369,960)	-	(602,333,625)
<b>Net carrying amount as at 1 January 2022</b>	<b>102,794,116</b>	<b>162,232,589</b>	<b>86,919,569</b>	<b>14,315,883</b>	<b>366,262,157</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>102,844,447</b>	<b>159,397,069</b>	<b>85,534,450</b>	<b>14,707,287</b>	<b>362,483,253</b>

(in EUR)	Land	Buildings	Equipment	Ongoing investments	Total
<b>Cost</b>					
<b>As at 1 January 2023</b>	<b>102,587,002</b>	<b>584,616,960</b>	<b>276,608,194</b>	<b>23,408,190</b>	<b>987,220,346</b>
New acquisitions	-	-	-	6,320,769	6,320,769
Disposals	(23,450)	-	(346,751)	(9,874)	(380,075)
Transfer from ongoing investments	-	424,883	1,310,563	(1,735,446)	-
<b>As at 31 March 2023</b>	<b>102,563,552</b>	<b>585,041,843</b>	<b>277,572,006</b>	<b>27,983,639</b>	<b>993,161,040</b>
<b>Accumulated depreciation</b>					
<b>As at 1 January 2023</b>	-	(429,511,087)	(191,398,609)	-	(620,909,696)
Depreciation	-	(3,761,066)	(3,886,326)	-	(7,647,392)
Disposals	-	-	184,142	-	184,142
<b>As at 31 March 2023</b>	-	(433,272,153)	(195,100,793)	-	(628,372,946)
<b>Net carrying amount as at 1 January 2023</b>	<b>102,587,002</b>	<b>155,105,873</b>	<b>85,209,585</b>	<b>23,408,190</b>	<b>366,310,650</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>102,563,552</b>	<b>151,769,690</b>	<b>82,471,213</b>	<b>27,983,639</b>	<b>364,788,094</b>

## 25.14 Investment in subsidiaries

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

(in EUR)	Petrol d.d.	
	2023	2022
<b>As at 1 January</b>	<b>554,032,932</b>	<b>553,970,331</b>
New acquisitions	1,259,300	62,600
<b>As at 31 March</b>	<b>555,292,232</b>	<b>554,032,932</b>

The Company purchased the remaining interest in Atet d.o.o., thereby becoming a 100 percent owner of the company.

## 25.15 Investments in jointly controlled entities

(in EUR)	The Petrol Group		Petrol d.d.	
	2023	2022	2023	2022
<b>As at 1 January</b>	<b>1,277,748</b>	<b>704,501</b>	<b>233,000</b>	<b>210,000</b>
Attributed profit/loss	(3,088)	539,462	-	-
Foreign exchange differences	184	-	-	-
<b>As at 31 March</b>	<b>1,274,844</b>	<b>1,243,963</b>	<b>233,000</b>	<b>210,000</b>

## 25.16 Investments in associates

(in EUR)	The Petrol Group		Petrol d.d.	
	2023	2022	2023	2022
<b>As at 1 January</b>	<b>56,968,277</b>	<b>55,169,626</b>	<b>26,610,477</b>	<b>26,610,477</b>
Attributed profit/loss	233,549	203,384	-	-
<b>As at 31 March</b>	<b>57,201,826</b>	<b>55,373,010</b>	<b>26,610,477</b>	<b>26,610,477</b>

## 25.17 Non-current financial assets at fair value through other comprehensive income

(in EUR)	The Petrol Group		Petrol d.d.	
	2023	2022	2023	2022
<b>As at 1 January</b>	<b>4,112,346</b>	<b>4,133,044</b>	<b>2,117,914</b>	<b>2,117,914</b>
<b>As at 31 March</b>	<b>4,112,346</b>	<b>4,133,044</b>	<b>2,117,914</b>	<b>2,117,914</b>

## 25.18 Inventories

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Spare parts and materials	2,998,210	2,827,561	2,669,418	2,502,499
Merchandise:	227,503,848	262,021,704	135,286,080	148,675,864
- fuel	162,657,407	205,210,206	87,658,318	105,874,708
- other petroleum products	158,694	146,102	133,732	123,081
- other merchandise	64,687,747	56,665,396	47,494,030	42,678,075
<b>Total inventories</b>	<b>230,502,058</b>	<b>264,849,265</b>	<b>137,955,498</b>	<b>151,178,363</b>

## 25.19 Current loans

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Loans granted	1,231,885	2,365,069	47,703,202	39,937,625
Allowance to the value of loans granted	(779,504)	(779,400)	(718,115)	(718,115)
Time deposits with banks (3 months to 1 year)	2,130,400	43,103	1,724,912	26,869
Interest receivables	74,014	73,654	7,049,389	6,616,330
Allowance for interest receivables	(23,290)	(23,288)	(4,584,039)	(4,518,947)
<b>Total current loans</b>	<b>2,633,505</b>	<b>1,679,138</b>	<b>51,175,349</b>	<b>41,343,762</b>

## 25.20 Current operating receivables

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Trade receivables	740,628,907	883,095,961	511,146,800	585,600,764
Allowance for trade receivables	(57,163,551)	(58,471,044)	(30,258,098)	(30,333,833)
Operating receivables from state and other institutions	6,502,207	5,008,957	-	-
Operating interest receivables	1,337,078	1,362,471	2,226,272	2,232,069
Allowance for interest receivables	(1,279,446)	(1,239,410)	(838,081)	(843,877)
Receivables from insurance companies (loss events)	83,540	48,497	75,538	26,635
Other operating receivables	17,936,602	17,874,625	8,218,087	10,833,971
Allowance for other receivables	(2,322,664)	(2,484,713)	(1,044,170)	(724,840)
<b>Total current operating receivables</b>	<b>705,722,673</b>	<b>845,195,344</b>	<b>489,526,348</b>	<b>566,790,889</b>

## 25.21 Financial assets at fair value through profit or loss

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Assets arising from commodity swaps	2,623,187	2,297,589	2,494,203	2,176,692
Assets arising from forward contracts	461,010	348,745	461,010	348,745
<b>Total financial assets at fair value through profit or loss</b>	<b>3,084,197</b>	<b>2,646,334</b>	<b>2,955,213</b>	<b>2,525,437</b>

## 25.22 Current financial assets at fair value through other comprehensive income

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Assets arising from interest rate swaps	34,095,267	34,616,805	29,474,274	30,293,507
Assets arising from commodity swaps	1,557,139	3,083,184	1,557,139	3,083,184
Bonds	-	334,077	-	-
<b>Current balance of financial assets at fair value through other comprehensive income</b>	<b>35,652,406</b>	<b>38,034,066</b>	<b>31,031,413</b>	<b>33,376,691</b>

## 25.23 Prepayments and other assets

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Prepayments and collaterals	73,073,236	80,538,388	25,129,244	27,457,632
Accrued claims against Borzen	40,225,602	6,460,495	27,486,278	6,460,495
Prepaid licences, subscriptions, specialised literature, etc.	4,529,069	3,640,143	3,233,022	2,888,280
Prepaid insurance premiums	1,505,669	1,618,395	928,956	1,299,037
Other deferred costs	26,281,218	23,010,442	17,509,414	13,362,753
<b>Total prepayments and other assets</b>	<b>145,614,794</b>	<b>115,267,863</b>	<b>74,286,914</b>	<b>51,468,197</b>

## 25.24 Financial liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<b>Current financial liabilities</b>				
Bank loans	105,753,117	85,954,276	78,727,832	59,493,518
Liabilities to banks arising from forward contracts	11,248,910	8,837,601	1,004,709	745,579
Bonds issued	359,168	300,831	359,168	300,831
Other loans and financial liabilities	431,290	1,563,725	166,748,484	165,271,773
	<b>117,792,485</b>	<b>96,656,433</b>	<b>246,840,193</b>	<b>225,811,701</b>
<b>Non-current financial liabilities</b>				
Bank loans	401,355,832	357,416,530	344,463,790	300,538,159
Bonds issued	43,818,785	43,816,929	43,818,785	43,816,929
Loans obtained from other companies	380,301	379,543	21,000,000	21,000,000
	<b>445,554,918</b>	<b>401,613,002</b>	<b>409,282,575</b>	<b>365,355,088</b>
<b>Total financial liabilities</b>	<b>563,347,403</b>	<b>498,269,435</b>	<b>656,122,768</b>	<b>591,166,789</b>

## 25.25 Lease liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Non-current lease liabilities	106,699,314	101,100,126	26,384,312	27,331,350
Current lease liabilities	18,219,991	17,498,969	3,868,332	3,965,318
<b>Total lease liabilities</b>	<b>124,919,305</b>	<b>118,599,095</b>	<b>30,252,644</b>	<b>31,296,668</b>

## 25.26 Current operating liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Trade liabilities	680,456,311	829,990,796	529,052,324	598,342,065
Excise duty liabilities	107,637,907	116,169,181	90,326,974	101,934,781
Value added tax liabilities	75,961,995	103,251,423	48,712,171	73,163,760
Liabilities to employees	7,984,521	10,274,352	5,945,430	6,529,867
Other liabilities to the state and other state institutions	5,102,832	4,815,981	1,513,175	1,720,853
Social security contribution liabilities	4,159,633	1,945,001	852,897	952,677
Liabilities for environmental charges and contributions	3,815,497	4,486,633	2,167,562	1,886,975
Liabilities arising from interests acquired	3,450,000	3,947,693	3,450,000	3,450,000
Import duty liabilities	3,115,449	2,946,580	-	-
Liabilities associated with the allocation of profit or loss	768,880	768,880	768,880	768,880
Other liabilities	2,043,188	3,507,389	1,745,136	3,463,423
<b>Total current operating and other liabilities</b>	<b>894,496,213</b>	<b>1,082,103,909</b>	<b>684,534,549</b>	<b>792,213,281</b>

## 25.27 Commodity derivative instruments

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Commodity derivative instruments	32,546,796	29,872,456	13,572,714	16,007,602
<b>Total commodity derivative instruments</b>	<b>32,546,796</b>	<b>29,872,456</b>	<b>13,572,714</b>	<b>16,007,602</b>

## 25.28 Contract liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Short-term prepayments and securities given	23,003,589	20,018,795	19,489,256	16,295,826
Deferred prepaid card revenue	2,444,412	3,016,958	1,677,672	2,071,191
Deferred revenue from rebates and discounts granted	546,939	86,523	332,970	-
Other	28,714	31,299	-	-
<b>Total contract liabilities</b>	<b>26,023,654</b>	<b>23,153,575</b>	<b>21,499,898</b>	<b>18,367,017</b>

## 25.29 Other liabilities

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Accrued annual leave expenses	3,875,408	3,964,599	2,279,179	2,279,179
Accrued expenses for tanker demurrage	1,622,690	968,947	1,622,690	968,947
Accrued motorway site lease payments	143,797	531,993	143,797	531,993
Accrued concession fee costs	299,087	360,333	295,489	356,736
Short-term provisions for onerous contracts	785,846	785,846	-	-
Other accrued costs	47,379,966	26,736,957	44,808,351	26,345,012
Other deferred revenue	5,065,446	4,770,243	4,921,994	4,643,206
<b>Total other liabilities</b>	<b>59,172,240</b>	<b>38,118,918</b>	<b>54,071,500</b>	<b>35,125,073</b>

## 26. 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*.

### Credit risk

In the first three months of the year 2023 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 2023:

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Financial assets at fair value through other comprehensive income	39,764,752	42,146,412	33,149,327	35,494,605
Non-current loans	1,675,584	949,277	54,763,400	59,134,780
Non-current operating receivables	7,248,462	7,015,756	7,240,661	7,007,540
Contract assets	104,796,588	13,319,362	108,047,306	11,722,300
Current loans	2,633,505	1,679,138	51,175,349	41,343,762
Current operating receivables (excluding rec. from the state)	699,220,466	840,186,387	489,526,348	566,790,889
Financial assets at fair value through profit or loss	3,084,197	2,646,334	2,955,213	2,525,437
Cash and cash equivalents	77,185,424	100,962,531	31,285,667	51,203,361
<b>Total assets</b>	<b>935,608,978</b>	<b>1,008,905,197</b>	<b>778,143,271</b>	<b>775,222,674</b>

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	738,315,493	71,183,742	9,407,479	3,515,484	2,202,719	824,624,917
Interest receivables	6,188	1,933	33,538	16,781	64,621	123,061
Other receivables (excluding receivables from the state)	14,610,337	787,652	188	758	39,474	15,438,409
<b>Total as at 31 December 2022</b>	<b>752,932,018</b>	<b>71,973,327</b>	<b>9,441,205</b>	<b>3,533,023</b>	<b>2,306,814</b>	<b>840,186,387</b>
(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	616,830,324	52,254,687	7,489,567	2,458,961	4,431,817	683,465,356
Interest receivables	-	-	-	-	57,632	57,632
Other receivables (excluding receivables from the state)	12,351,630	2,363,460	900,521	16,810	65,057	15,697,478
<b>Total as at 31 March 2023</b>	<b>629,181,954</b>	<b>54,618,147</b>	<b>8,390,088</b>	<b>2,475,771</b>	<b>4,554,506</b>	<b>699,220,466</b>

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	513,737,535	27,798,258	4,482,811	1,589,324	7,659,003	555,266,931
Interest receivables	-	-	-	-	1,388,192	1,388,192
Other receivables (excluding receivables from the state)	9,531,621	563,655	188	758	39,544	10,135,766
<b>Total as at 31 December 2022</b>	<b>523,269,156</b>	<b>28,361,913</b>	<b>4,482,999</b>	<b>1,590,082</b>	<b>9,086,739</b>	<b>566,790,889</b>
(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	430,380,062	32,195,106	4,363,642	5,899,488	8,050,404	480,888,702
Interest receivables	-	-	-	-	1,388,191	1,388,191
Other receivables (excluding receivables from the state)	7,246,740	2,715	-	-	-	7,249,455
<b>Total as at 31 March 2023</b>	<b>437,626,802</b>	<b>32,197,821</b>	<b>4,363,642</b>	<b>5,899,488</b>	<b>9,438,595</b>	<b>489,526,348</b>

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

(in days)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-12 2022	1-3 2023	1-12 2022
<b>Days sales outstanding</b>				
Contract days	36	27	32	23
Overdue receivables in days	4	3	3	2
<b>Total days sales outstanding</b>	<b>40</b>	<b>30</b>	<b>35</b>	<b>25</b>

**Liquidity risk**

The current global economic events and activity in wider social environment of the EU and globally are strongly influenced by the Ukraine war, the situation on the energy markets and different national approaches to regulate the prices of fuel and energy products to lower the impact of energy crisis for the population and companies and inflation as well. Therefore, the Petrol Group continues with intensive activities and pays extra attention and caution to manage liquidity risk.

Despite difficult conditions, our key goal remains that the Group/Company can successfully manage liquidity risks according to S&P Global Ratings'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.

Despite Ukraine war effects, situation on the energy markets and effects of different national approaches on fuel and energy regulations on domestic market and southeast European markets, where the Group is present, which represent additional uncertainties in the Group's operations, we optimized cash flow planning and mastered all challenges in a timely manner and ensured the Group's optimal and strong liquidity. In order to endorse a stable liquidity position of the Group, we obtained additional credit lines, with which we further strengthen the solid and stable liquidity position of the Group. A strong liquidity position also enables us to settle all obligations 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 2022 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				More than 5 years
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	
Non-current financial liabilities	401,613,002	433,536,129	-	-	372,631,738	60,904,391
Non-current lease liabilities	101,100,126	109,074,515	-	-	85,655,698	23,418,817
Non-current operating liabilities (excluding other liabilities)	2,024,000	2,024,000	-	-	2,024,000	-
Current financial liabilities	96,656,433	110,096,768	61,187,352	48,909,416	-	-
Current lease liabilities	17,498,969	21,007,713	11,041,027	9,966,686	-	-
Liabilities arising from commodity forward contracts*	-	1,636,926,610	756,687,613	622,733,589	257,505,408	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	838,214,758	838,214,758	837,450,259	764,499	-	-
Commodity derivative instruments	29,872,456	29,872,456	29,872,456	-	-	-
<b>As at 31 December 2022</b>	<b>1,486,979,744</b>	<b>3,180,752,949</b>	<b>1,696,238,707</b>	<b>682,374,190</b>	<b>717,816,844</b>	<b>84,323,208</b>

The Group's liabilities as at 31 March 2023 by maturity:

(in EUR)	Carrying amount of liabilities	Contractual cash flows				More than 5 years
		Liability	0 to 6 months	6 to 12 months	1 to 5 years	
Non-current financial liabilities	445,554,918	473,563,713	-	-	413,212,458	60,351,255
Non-current lease liabilities	106,699,314	126,886,676	-	-	68,035,111	58,851,565
Non-current operating liabilities (excluding other liabilities)	2,024,000	2,024,000	-	-	2,024,000	-
Current financial liabilities	117,792,485	132,011,958	102,654,976	29,356,982	-	-
Current lease liabilities	18,219,991	22,060,130	11,323,037	10,737,093	-	-
Liabilities arising from commodity forward contracts*	-	1,347,510,545	622,590,884	431,726,282	293,193,379	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	686,718,379	686,718,379	686,327,074	391,305	-	-
Commodity derivative instruments	32,546,796	32,546,796	32,546,796	-	-	-
<b>As at 31 March 2023</b>	<b>1,409,555,883</b>	<b>2,823,322,197</b>	<b>1,455,442,767</b>	<b>472,211,662</b>	<b>776,464,948</b>	<b>119,202,820</b>

The Company's liabilities as at 31 December 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	365,355,088	397,362,215	-	-	315,808,328	81,553,887
Non-current lease liabilities	27,331,350	36,394,573	-	-	16,335,004	20,059,569
Non-current operating liabilities (excluding other liabilities)	2,024,000	2,024,000	-	-	2,024,000	-
Current financial liabilities	225,811,701	240,808,279	200,158,490	40,649,789	-	-
Current lease liabilities	3,965,318	5,162,635	2,691,072	2,471,563	-	-
Liabilities arising from commodity forward contracts*	-	1,625,382,552	748,075,117	619,802,027	257,505,408	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	606,024,368	606,024,367	605,806,817	217,550	-	-
Commodity derivative instruments	16,007,602	16,007,602	16,007,602	-	-	-
Contingent liabilities for guarantees issued**	-	368,063,707	368,063,707	-	-	-
<b>As at 31 December 2022</b>	<b>1,246,519,427</b>	<b>3,297,229,930</b>	<b>1,940,802,805</b>	<b>663,140,929</b>	<b>591,672,740</b>	<b>101,613,456</b>

The Company's liabilities as at 31 March 2023 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	409,282,575	437,375,370	-	-	377,375,370	60,000,000
Non-current lease liabilities	26,384,312	35,167,805	-	-	13,492,945	21,674,860
Non-current operating liabilities (excluding other liabilities)	2,024,000	2,024,000	-	-	2,024,000	-
Current financial liabilities	246,840,193	262,960,336	87,254,009	175,706,327	-	-
Current lease liabilities	3,868,332	5,037,472	2,577,546	2,459,926	-	-
Liabilities arising from commodity forward contracts*	-	1,342,529,755	619,076,208	430,260,169	293,193,378	-
Current operating liabilities (excluding liabilities to the state, employees and arising from advance payments)	535,016,340	535,016,340	534,918,522	97,818	-	-
Commodity derivative instruments	13,572,714	13,572,714	13,572,714	-	-	-
Contingent liabilities for guarantees issued**	-	356,096,158	356,096,158	-	-	-
<b>As at 31 March 2023</b>	<b>1,236,988,466</b>	<b>2,989,779,950</b>	<b>1,613,495,157</b>	<b>608,524,240</b>	<b>686,085,693</b>	<b>81,674,860</b>

\*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 and international 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 2023, 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 3,489,512, 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.

To hedge petroleum product prices, the Group/Company uses mostly derivative financial instruments. Partners in this area include global financial institutions and banks or suppliers of goods. The Group/Company considers the counterparty default risk as minimal.

In the first three months of 2023, there were also changes or restrictions regarding petroleum product prices on the markets of Slovenia, Croatia and Serbia, both in retail and wholesale, accepted by individual governments of the countries where the Petrol Group operates, which additionally affected operations. Details of regulations by country are described in the Business environment subchapter.

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. Changes of the Decrees did not affect the price and volumetric risk management system itself, but it did affect the sale of petroleum products. The government (Slovenia) is expected to settle the loss incurred during the relevant period affected by the Decree which limited the selling prices of petroleum products.

When dealing with electricity, the Petrol Group is exposed to price and quantity risks. In the period between the beginning of 1 January 2023 and 31 March 2023, the prices of electricity with delivery in Hungary in 2024 were more stable than the year before. On 31 March 2023, the price was 165.09 EUR/MWh, which is approximately 26 percent less than on 30 December 2022. Nevertheless, electricity prices are higher than the average in the period between 2018 and 2020, when the average price of electricity with supply in Hungary for a year in advance was 53.36 EUR/MWh. The main reason for high electricity prices are high natural gas prices as a result of the closure of nuclear power plants in Germany and the war in Ukraine. High electricity prices cause increased price risks, which the group manages with a set of limit systems defined according to the business partner, risk value and quantitative exposure, as well as with appropriate monitoring and control processes. In addition, the Petrol Group regularly monitors the adequacy of the limit systems used, which it renews and supplements as necessary.

## Interest rate risk

The Group/Company is exposed to interest rate risks because it takes out loans with a floating interest rate, which are mostly EURIBOR-based.

In the first three months of 2023, 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:

- through ongoing operations, the Group's/Company's interest rate on overdue operating receivables being EURIBOR-based,
- 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, long-term solvency and maximum shareholder value. The Group/Company also achieves this 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. In December 2022, S&P Global Ratings reaffirmed Petrol d.d., Ljubljana's "BBB-" long-term and "A-3" short-term credit rating with a stable outlook.

In the first three months of 2023 the Petrol Group continued to pursue its strategic orientation in the area of indebtedness and kept the net debt to equity ratio at acceptable levels, which provide the Group with a stable position for future operations.

## Carrying amount and fair value of financial instruments

### The Petrol Group

(in EUR)	The Petrol Group			
	31 March 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Non-derivative financial assets at fair value</b>				
Financial assets at fair value through other comprehensive income	39,764,752	39,764,752	42,146,412	42,146,412
<b>Non-derivative financial assets at amortised cost</b>				
Loans	4,309,089	4,309,089	2,628,415	2,628,415
Operating receivables (excluding receivables from the state)	706,468,928	706,468,928	847,202,143	847,202,143
Contract assets	104,796,588	104,796,588	13,319,362	13,319,362
Cash and cash equivalents	77,185,424	77,185,424	100,962,531	100,962,531
<b>Total non-derivative financial assets</b>	<b>932,524,781</b>	<b>932,524,781</b>	<b>1,006,258,863</b>	<b>1,006,258,863</b>
<b>Non-derivative financial liabilities at amortised cost</b>				
Bank loans and other financial liabilities (excluding derivative fin.instr.)	(552,098,493)	(552,098,493)	(489,431,834)	(489,431,834)
Lease liabilities	(124,919,305)	(124,919,305)	(118,599,095)	(118,599,095)
Operating liabilities (excluding other non-current liabilities and current liabilities to the state and employees)	(688,742,379)	(688,742,379)	(840,238,758)	(840,238,758)
<b>Total non-derivative financial liabilities</b>	<b>(1,365,760,177)</b>	<b>(1,365,760,177)</b>	<b>(1,448,269,687)</b>	<b>(1,448,269,687)</b>
<b>Derivative financial instruments at fair value</b>				
Derivative financial instruments (assets)	3,084,197	3,084,197	2,646,334	2,646,334
Derivative financial instruments (liabilities)	(43,795,706)	(43,795,706)	(38,710,057)	(38,710,057)
<b>Total derivative financial instruments</b>	<b>(40,711,509)</b>	<b>(40,711,509)</b>	<b>(36,063,723)</b>	<b>(36,063,723)</b>

### Petrol d.d., Ljubljana

(in EUR)	Petrol d.d.			
	31 March 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Non-derivative financial assets at fair value</b>				
Financial assets at fair value through other comprehensive income	33,149,327	33,149,327	35,494,605	35,494,605
<b>Non-derivative financial assets at amortised cost</b>				
Loans	105,938,749	105,938,749	100,478,542	100,478,542
Operating receivables (excluding receivables from the state)	496,767,009	496,767,009	573,798,429	573,798,429
Contract assets	108,047,306	108,047,306	11,722,300	11,722,300
Cash and cash equivalents	31,285,667	31,285,667	51,203,361	51,203,361
<b>Total non-derivative financial assets</b>	<b>775,188,058</b>	<b>775,188,058</b>	<b>772,697,237</b>	<b>772,697,237</b>
<b>Non-derivative financial liabilities at amortised cost</b>				
Bank loans and other financial liabilities (excluding derivative fin.instr.)	(655,118,059)	(655,118,059)	(590,421,210)	(590,421,210)
Lease liabilities	(30,252,644)	(30,252,644)	(31,296,668)	(31,296,668)
Operating liabilities (excluding other non-current liabilities and current liabilities to the state and employees)	(537,040,340)	(537,040,340)	(608,048,368)	(608,048,368)
<b>Total non-derivative financial liabilities</b>	<b>(1,222,411,043)</b>	<b>(1,222,411,043)</b>	<b>(1,229,766,246)</b>	<b>(1,229,766,246)</b>
<b>Derivative financial instruments at fair value</b>				
Derivative financial instruments (assets)	2,955,213	2,955,213	2,525,437	2,525,437
Derivative financial instruments (liabilities)	(14,577,423)	(14,577,423)	(16,753,181)	(16,753,181)
<b>Total derivative financial instruments</b>	<b>(11,622,210)</b>	<b>(11,622,210)</b>	<b>(14,227,744)</b>	<b>(14,227,744)</b>

## 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 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	-	3,084,197	-	3,084,197	-	2,646,334	-	2,646,334
Financial assets at fair value through other comprehensive income	-	35,652,406	4,112,346	39,764,752	-	37,699,989	4,446,423	42,146,412
<b>Total assets at fair value</b>	<b>-</b>	<b>38,736,603</b>	<b>4,112,346</b>	<b>42,848,949</b>	<b>-</b>	<b>40,346,323</b>	<b>4,446,423</b>	<b>44,792,746</b>
Non-current loans	-	-	1,675,584	1,675,584	-	-	949,277	949,277
Current loans	-	-	2,633,505	2,633,505	-	-	1,679,138	1,679,138
Non-current operating receivables	-	-	7,248,462	7,248,462	-	-	7,015,756	7,015,756
Current operating receivables (excluding rec. from the state)	-	-	699,220,466	699,220,466	-	-	840,186,387	840,186,387
Contract assets	-	-	104,796,588	104,796,588	-	-	13,319,362	13,319,362
Cash and cash equivalents	77,185,424	-	-	77,185,424	100,962,531	-	-	100,962,531
<b>Total assets with fair value disclosure</b>	<b>77,185,424</b>	<b>-</b>	<b>815,574,605</b>	<b>892,760,029</b>	<b>100,962,531</b>	<b>-</b>	<b>863,149,920</b>	<b>964,112,451</b>
<b>Total assets</b>	<b>77,185,424</b>	<b>38,736,603</b>	<b>819,686,951</b>	<b>935,608,978</b>	<b>100,962,531</b>	<b>40,346,323</b>	<b>867,596,343</b>	<b>1,008,905,197</b>

### Fair value of liabilities

(in EUR)	31 March 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities	-	(11,248,910)	-	(11,248,910)	-	(8,837,601)	-	(8,837,601)
Commodity derivative instruments	-	(32,546,796)	-	(32,546,796)	-	(29,872,456)	-	(29,872,456)
<b>Total liabilities at fair value</b>	<b>-</b>	<b>(43,795,706)</b>	<b>-</b>	<b>(43,795,706)</b>	<b>-</b>	<b>(38,710,057)</b>	<b>-</b>	<b>(38,710,057)</b>
Non-current financial liabilities	-	-	(445,554,918)	(445,554,918)	-	-	(401,613,002)	(401,613,002)
Non-current lease liabilities	-	-	(106,699,314)	(106,699,314)	-	-	(101,100,126)	(101,100,126)
Current financial liabilities (excluding liabilities at fair value)	-	-	(106,543,575)	(106,543,575)	-	-	(87,818,832)	(87,818,832)
Current lease liabilities	-	-	(18,219,991)	(18,219,991)	-	-	(17,498,969)	(17,498,969)
Non-current operating liabilities (excluding other liabilities)	-	-	(2,024,000)	(2,024,000)	-	-	(2,024,000)	(2,024,000)
Current operating liabilities (excluding liabilities to the state, employees and liabilities at fair value)	-	-	(686,718,379)	(686,718,379)	-	-	(838,214,758)	(838,214,758)
<b>Total liabilities with fair value disclosure</b>	<b>-</b>	<b>-</b>	<b>(1,365,760,177)</b>	<b>(1,365,760,177)</b>	<b>-</b>	<b>-</b>	<b>(1,448,269,687)</b>	<b>(1,448,269,687)</b>
<b>Total liabilities</b>	<b>-</b>	<b>(43,795,706)</b>	<b>(1,365,760,177)</b>	<b>(1,409,555,883)</b>	<b>-</b>	<b>(38,710,057)</b>	<b>(1,448,269,687)</b>	<b>(1,486,979,744)</b>

### Petrol d.d., Ljubljana Fair value of assets

(in EUR)	31 March 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	-	2,955,213	-	2,955,213	-	2,525,437	-	2,525,437
Financial assets at fair value through other comprehensive income	-	31,031,413	2,117,914	33,149,327	-	33,376,691	2,117,914	35,494,605
<b>Total assets at fair value</b>	<b>-</b>	<b>33,986,626</b>	<b>2,117,914</b>	<b>36,104,540</b>	<b>-</b>	<b>35,902,128</b>	<b>2,117,914</b>	<b>38,020,042</b>
Non-current loans	-	-	54,763,400	54,763,400	-	-	59,134,780	59,134,780
Current loans	-	-	51,175,349	51,175,349	-	-	41,343,762	41,343,762
Non-current operating receivables	-	-	7,240,661	7,240,661	-	-	7,007,540	7,007,540
Current operating receivables (excluding rec. from the state)	-	-	489,526,348	489,526,348	-	-	566,790,889	566,790,889
Contract assets	-	-	108,047,306	108,047,306	-	-	11,722,300	11,722,300
Cash and cash equivalents	31,285,667	-	-	31,285,667	51,203,361	-	-	51,203,361
<b>Total assets with fair value disclosure</b>	<b>31,285,667</b>	<b>-</b>	<b>710,753,064</b>	<b>742,038,731</b>	<b>51,203,361</b>	<b>-</b>	<b>685,999,271</b>	<b>737,202,632</b>
<b>Total assets</b>	<b>31,285,667</b>	<b>33,986,626</b>	<b>712,870,978</b>	<b>778,143,271</b>	<b>51,203,361</b>	<b>35,902,128</b>	<b>688,117,185</b>	<b>775,222,674</b>

### Fair value of liabilities

(in EUR)	31 March 2023				31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities	-	(1,004,709)	-	(1,004,709)	-	(745,579)	-	(745,579)
Commodity derivative instruments	-	(13,572,714)	-	(13,572,714)	-	(16,007,602)	-	(16,007,602)
<b>Total liabilities at fair value</b>	<b>-</b>	<b>(14,577,423)</b>	<b>-</b>	<b>(14,577,423)</b>	<b>-</b>	<b>(16,753,181)</b>	<b>-</b>	<b>(16,753,181)</b>
Non-current financial liabilities	-	-	(409,282,575)	(409,282,575)	-	-	(365,355,088)	(365,355,088)
Non-current lease liabilities	-	-	(26,384,312)	(26,384,312)	-	-	(27,331,350)	(27,331,350)
Current financial liabilities (excluding liabilities at fair value)	-	-	(245,835,484)	(245,835,484)	-	-	(225,066,122)	(225,066,122)
Current lease liabilities	-	-	(3,868,332)	(3,868,332)	-	-	(3,965,318)	(3,965,318)
Non-current operating liabilities (excluding other liabilities)	-	-	(2,024,000)	(2,024,000)	-	-	(2,024,000)	(2,024,000)
Current operating liabilities (excluding liabilities to the state, employees and liabilities at fair value)	-	-	(535,016,340)	(535,016,340)	-	-	(606,024,368)	(606,024,368)
<b>Total liabilities with fair value disclosure</b>	<b>-</b>	<b>-</b>	<b>(1,222,411,043)</b>	<b>(1,222,411,043)</b>	<b>-</b>	<b>-</b>	<b>(1,229,766,246)</b>	<b>(1,229,766,246)</b>
<b>Total liabilities</b>	<b>-</b>	<b>(14,577,423)</b>	<b>(1,222,411,043)</b>	<b>(1,236,988,466)</b>	<b>-</b>	<b>(16,753,181)</b>	<b>(1,229,766,246)</b>	<b>(1,246,519,427)</b>

## Changes in Level 3 assets measured at fair value

(in EUR)	The Petrol Group		Petrol d.d.	
	2023	2022	2023	2022
<b>As at 1 January</b>	<b>4,446,423</b>	<b>4,467,121</b>	<b>2,117,914</b>	<b>2,117,914</b>
Disposals	(335,624)	-	-	-
Total profit or losses recognised in the statement of comprehensive income	1,547	-	-	-
<b>As at 31 March</b>	<b>4,112,346</b>	<b>4,467,121</b>	<b>2,117,914</b>	<b>2,117,914</b>

## 27. Related party transactions

(in EUR)	The Petrol Group		Petrol d.d.	
	1-3 2023	1-3 2022	1-3 2023	1-3 2022
<b>Sales revenue:</b>				
Subsidiaries	-	-	243,415,168	203,041,056
Jointly controlled entities	541,587	1,313,451	3,419	4,992
Associates	12,240	9,389	12,240	9,389
<b>Cost of goods sold:</b>				
Subsidiaries	-	-	76,687,893	53,631,377
Jointly controlled entities	29,594	36,334	-	-
<b>Costs of materials:</b>				
Subsidiaries	-	-	360,468	347,324
Jointly controlled entities	1,211	2,598	-	-
<b>Costs of services:</b>				
Subsidiaries	-	-	339,271	173,775
Jointly controlled entities	1,197	555	-	-
<b>Gain from derivatives:</b>				
Subsidiaries	-	-	503,119	695,931
<b>Loss from derivatives:</b>				
Subsidiaries	-	-	51,609	1,658,726
<b>Fin. income/expenses from interests in Group</b>				
Subsidiaries	-	-	-	-
Jointly controlled entities	(3,088)	539,462	-	-
Associates	233,549	203,384	-	-
<b>Finance income from interest:</b>				
Subsidiaries	-	-	503,100	273,671
Jointly controlled entities	680	-	680	-
<b>Other finance income:</b>				
Subsidiaries	-	-	28,733	31,483
<b>Finance expenses for interest:</b>				
Subsidiaries	-	-	428,565	611,844

(in EUR)	The Petrol Group		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<b>Investments in Group companies:</b>				
Subsidiaries	-	-	555,292,232	554,032,932
Jointly controlled entities	1,274,844	1,277,748	233,000	233,000
Associates	57,201,826	56,968,277	26,610,477	26,610,477
<b>Non-current loans:</b>				
Subsidiaries	-	-	53,786,356	59,087,634
<b>Current operating receivables:</b>				
Subsidiaries	-	-	89,239,337	83,627,973
Jointly controlled entities	205,493	1,100,698	17,061	15,433
Associates	12,357	1,568	12,285	1,487
<b>Current loans:</b>				
Subsidiaries	-	-	49,115,859	40,046,732
Jointly controlled entities	251,059	247,383	251,059	247,383
<b>Contract assets:</b>				
Subsidiaries	-	-	9,514,219	5,542,493
<b>Non-current financial liabilities:</b>				
Subsidiaries	-	-	21,000,000	21,000,000
<b>Current financial liabilities:</b>				
Subsidiaries	-	-	166,358,460	164,958,704
Jointly controlled entities	300,000	300,000	300,000	300,000
<b>Current operating liabilities:</b>				
Subsidiaries	-	-	5,157,944	8,515,784
Jointly controlled entities	378	898,293	-	876,704
<b>Contract liabilities</b>				
Subsidiaries	-	-	3,119,650	2,527
<b>Other liabilities</b>				
Subsidiaries	-	-	18,366,557	11,321,656

## 28. Contingent liabilities

### Contingent liabilities for guarantees issued

(in EUR)	Petrol d.d.		Petrol d.d.	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Guarantee issued to:	<b>Value of guarantee issued</b>		<b>Guarantee amount used</b>	
Petrol d.o.o.	190,062,329	176,237,013	108,584,379	110,590,551
Geoplin d.o.o. Ljubljana	21,494,780	21,000,000	169,286	-
E 3, d.o.o.	15,000,000	15,000,000	3,712,871	3,812,407
Petrol BH Oil Company d.o.o. Sarajevo	5,437,589	5,437,589	487,613	166,588
Petrol LPG d.o.o.	4,700,000	4,700,000	-	-
Petrol d.o.o. Beograd	3,999,800	3,999,800	-	1,023
Petrol Trade Handelsgesellschaft m.b.H.	3,000,000	3,000,000	3,000,000	1,800,000
Petrol Crna Gora MNE d.o.o.	3,000,000	3,000,000	269,076	206,682
Petrol LPG HIB d.o.o.	460,163	460,163	-	-
Aquasystems d.o.o.	373,318	373,318	373,318	373,318
Vjetroelektrama Ljubač d.o.o.	-	23,792,130	-	-
<b>Total</b>	<b>247,527,979</b>	<b>257,000,013</b>	<b>116,596,543</b>	<b>116,950,569</b>
Bills of exchange issued as security	101,422,673	103,464,125	101,422,673	103,464,125
Other guarantees	7,145,506	7,599,569	7,145,506	7,599,569
<b>Total contingent liabilities for guarantees issued</b>	<b>356,096,158</b>	<b>368,063,707</b>	<b>225,164,722</b>	<b>228,014,263</b>

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 3,211,418 (31 December 2022: EUR 3,150,872). 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 1,907,861 as at 31 March 2023 (31 December 2022: EUR 1,799,722).

The total value of lawsuits against the Group as defendant and debtor totals EUR 4,960,750 (31 December 2022: EUR 4,233,150). 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 2,618,407 as at 31 March 2023 (31 December 2022: EUR 2,511,603).

## **29. Events after the reporting date**

The Croatian Energy Regulatory Agency (HERA) adopted a new methodology in April 2023 to regulate the retail prices of natural gas in Croatia and introduce a 15-day reference period for determining the selling prices of gas instead of the previous 11-month period.

The change has a retroactive effect on the contractual relationships between the Petrol Group companies and our customers because the changed methodology does not take into account the actual value of the price of purchased gas which has a negative effect on the Petrol Group's operations. It is currently not yet known if the state will provide any compensation due to the changed methodology.

Since the method and amount of the resulting damage are not yet known, it is not possible to provide an estimate of the total effect of the price regulation and the expected compensation for the damage from the state.

Given that the methodology was adopted after 31 March 2023 and the aforementioned uncertainty, the conditions for recognising the effects of the natural gas price regulation on the Croatian market were not yet fulfilled as at 31 March 2023.

An action for compensation of the damage of EUR 106.9 million resulting from the capped motor fuel prices in 2022 was filed against the Republic of Slovenia on 16 May 2023.

On 16 May 2023, Geoplin d.o.o. Ljubljana initiated an arbitration procedure against Gazprom Export LLC on the grounds of a breach of the natural gas supply agreement. Due to the corporate guarantee being enforced by Gazprom Export LLC, Geoplin d.o.o. Ljubljana filed a request for arbitration together with Petrol d.d., Ljubljana.

Given the fact that we are unable to estimate with certainty the result of the action against the Republic of Slovenia resulting from the regulation of the motor fuel prices and the arbitration against Gazprom Export LLC. resulting from the (un)supplied natural gas, the conditions for recognising receivables or conditional receivables are not fulfilled pursuant to the IFRS.

There were no other events after the reporting date that would significantly affect the financial statements for the first three months of year 2023.

## Appendix 1: Organisational structure of the Petrol Group

The Petrol Group, 31 March 2023	Fuels and petroleum products	Merchandise and services	Energy and solutions	Other
<b>The parent company</b>				
Petrol d.d., Ljubljana	•	•	•	•
<b>Subsidiaries</b>				
Petrol d.o.o. (100%)	•	•	•	•
Petrol javna rasvjeta d.o.o. (100%)			•	
Adria-Plin d.o.o. (75%)	•			
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 Lumennis KI JO 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 S d.o.o. (100%)			•	
Zagorski metalac d.o.o. (75%)			•	
Mbills d.o.o. (100%)		•		
Atet d.o.o. (96%; 100% 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%)			•	
<b>Jointly controlled entities</b>				
Geoenergo d.o.o. (50%)			•	
Soenergetika d.o.o. (25%)			•	
Vjetroelektrana Dazlina d.o.o. (50%)			•	
<b>Associates</b>				
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 2023, the Petrol Group diagram does not include inactive companies.