

Q1 2026 results

JUGOPETROL AD



Podgorica, April 2026



Despite the complex and evolving challenges posed by global geopolitical developments, Jugopetrol AD remains firmly committed to the implementation of its long-term strategic vision, while continuously adapting to market conditions and further strengthening its leading position in the Montenegrin oil products market.

Sales results

Total fuel sales in the first quarter of 2026 increased by 12% compared to the same period last year.

The growth was primarily driven by sales in the domestic market, especially because of higher volumes sold in retail due to the pronounced volatility of fuel prices and the increase in uncertainty of the supply in oil market, which was caused by geopolitical tensions and war events in the Middle East. Also, the growth was recorded in sales to commercial and industry (C&I) customers, as well as in sales to private petrol stations (PPS).

Sales in the international market, to airlines, yachts and other vessels, were stable during the first quarter of 2026, in line with sales from last year.

Domestic market

Q1 Retail volumes were 14% higher than last year. This result is primarily a consequence of the increased frequency of fuel price changes during the second part of the first quarter of 2026, which was caused by the escalation of the conflict in the Middle East. Increase in the Retail segment was further supported by increased regional transit and favourable prices vs. certain neighbouring countries. Our Retail network consists of 51 petrol stations, including 4 yachting services.

In addition to high fuel sales, sales at our mini markets are also showing a steady increase year on year. Non-fuel related revenue increased by 10% compared to the same period last year.

Total volumes sold in Private Petrol Stations (PPS) were 14% higher compared to the previous year. Increase in sales in this segment is also linked to instabilities caused by war conflicts in regions that have a key role in oil market. Also, certain ad-hoc supply arrangements have had a positive effect on sales in this channel.

Our goal in this segment is to have stable trends and to become a reliable partner for other oil companies in the country.

Sales to commercial and industry customers (C&I) increased by 6% compared to the same period last year. The increase in sales in this segment was mostly influenced by increased demand from certain customers, mainly as a result of the enlarged volume of the construction and infrastructure works.

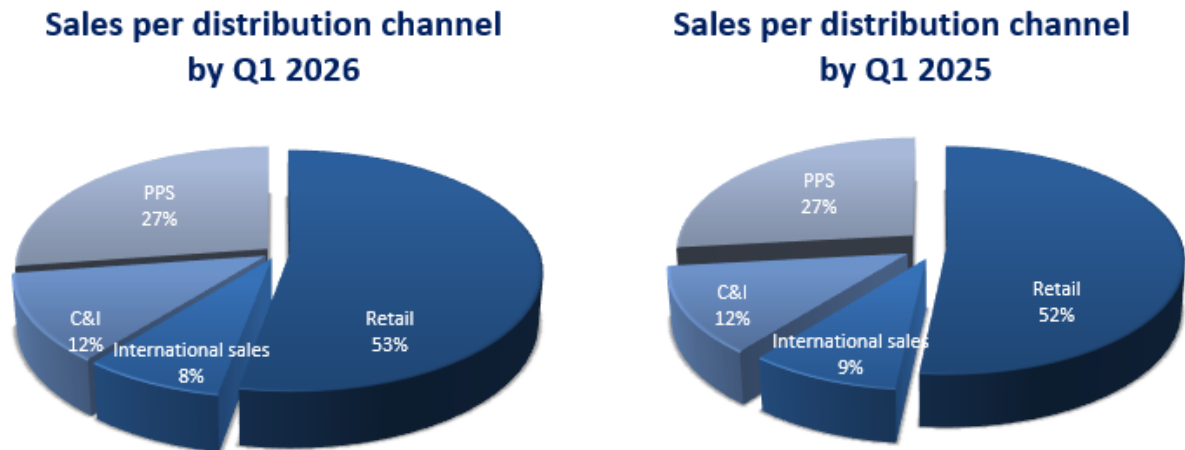
International market

The Q1 Aviation segment recorded an increase of 2% compared to the same period last year. Our volumes sold improved mainly due to higher sales to certain international customers, as well as to the national airline.

Sales to yachts and other vessels recorded a slight decrease during the first three months of 2026 compared to the previous year. This segment is highly seasonal, with the first quarter typically being a low-sales period.

Also, it is worth mentioning that abolition of the excise duties on fuel used by private yachts was introduced at the beginning of the last year. This made prices in Montenegro to again become competitive, in comparison to the other countries in the Mediterranean, creating positive expectations for the sales in this segment for the current year as well.

Breakdown of sales per channel of trade as a percentage of total sales:



Product analysis

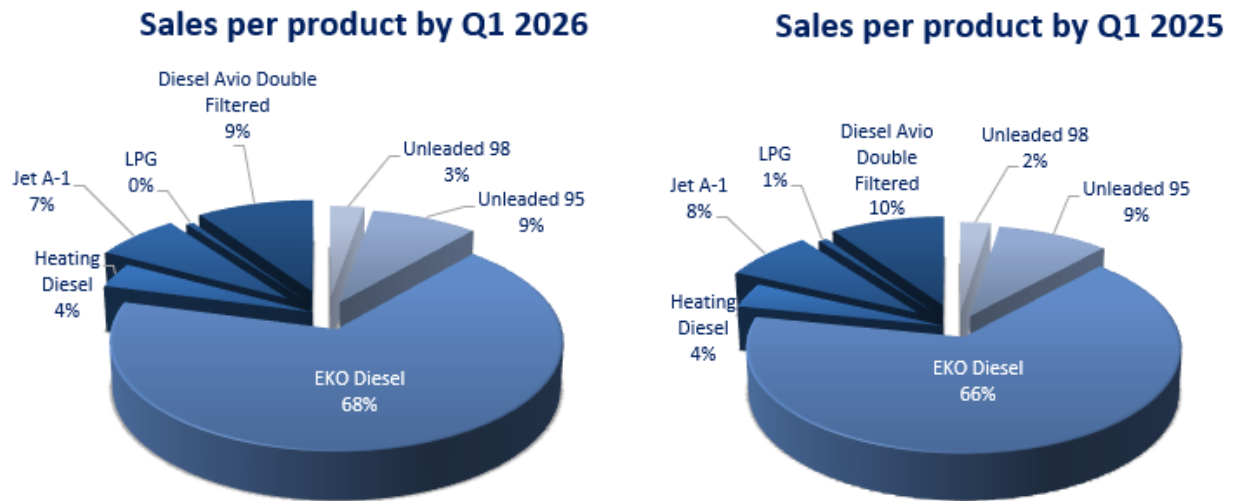
Sales of majority of the products increased in the first quarter of 2026.

In comparison to the same period last year, gasoline sales increased by 7%, while diesel sales increased by 14%. The highest contribution to this growth was recorded in the Retail segment.

Diesel accounted for 77% of our total sales, which confirms their dominant role in the consumption structure. Within that segment, EKO Diesel contributes with 68%, while Diesel Avio Double Filtered (DADF) contributes with 9%. Sales of Diesel Avio Double Filtered increased by 11% compared to the same period last year.



Breakdown of sales per product as a percentage of total sales:



Financial results

The organizational structure of Jugopetrol AD remains stable and efficient, enabling dynamic adaptation to modern market challenges.

Due to increased of operating costs, driven by the growth in sales volume, profitability indicators in the first quarter of 2026 show a slight decline compared to the same period of the previous year.

Compared to the previous year, a slight decrease in the net result has also been recorded. This was mainly driven by the reduction of excise duty implemented at the end of March, following a decision of the Government of Montenegro, which had a negative impact on cost of goods sold (COGS) in the retail network. The Company expects this negative financial impact to be neutralized in the coming period.

Profitability	Q1 2026	Q1 2025	Q1 2024	Q1 2023
Net Profit Margin %	1,7%	2,2%	0,3%	2,1%
EBITDA Margin %	3,9%	4,5%	2,2%	4,2%
Gross Profit Margin %	13,9%	14,6%	11,2%	11,9%

The company's liquidity remains at a high level, confirming its ability to consistently and effortlessly meet all short-term obligations.

The decline in quick and cash ratios compared to the same period last year is a result of increased liabilities to suppliers, driven by inventory purchases aimed at forming strategic oil reserves.



Despite these changes, the company continues to meet all its financial obligations consistently, reaffirming its operational stability and responsible management of financial resources.

Liquidity	Q1 2026	Q1 2025	Q1 2024	Q1 2023
Current ratio	2,26	4,28	3,12	2,79
Quick ratio	1,09	2,86	2,11	1,76
Cash ratio	0,32	1,33	1,24	1,03

Operational update

At the Bar installation, in addition to regular activities related to the reception, storage, and distribution of fuel, as well as routine maintenance of pipelines, storage tanks, the Tank Level Gauging System (TLGS), the firefighting (FF) system, and ongoing compliance with the JIG 1530 standard, work continued on the implementation of planned investment projects.

Motor-operated valves (MOVs) were installed at the inlets of tanks R4 and R6, with their connection to the system expected within the next ten days. Installation of the remaining two MOVs at the inlets of tanks R1 and R15 will be completed once conditions allow. Upon completion, the MOV system will be fully implemented, meaning that all tank inlets and outlets will be equipped with motor-operated valves.

High-level alarm detectors have been connected to the motor-operated valves, further enhancing safety in fuel handling and tank operations. In addition, worn-out TLGS controllers have been replaced, and the entire system is now based on new-generation controllers, resulting in improved stability and measurement accuracy.

Work is ongoing on tanks R17 and R3 and their associated pipelines. Based on the findings of the technical inspection conducted at the beginning of the year, replacement of the annular ring on tank R17 has commenced and is currently in progress. A tender has also been launched for the remaining scope of work, including the procurement and installation of a new aluminum domed roof, with the objective of returning the tank to operational use. At tank R3, cleaning activities related to the removal of bitumen residues are ongoing.

The fire detection system has been upgraded and is now fully operational, with regular testing procedures in place. Furniture and desks in the control room have been replaced, improving working conditions. In addition, a tender process for the procurement of a new pick-up vehicle for the installation is currently underway.

As part of the “New Truck Bottom Loading Station” project, construction of loading station is in progress. All necessary approvals have been obtained from the competent authorities, while project-related equipment is being delivered and installed at designated locations.

Final works are in progress related to the stabilization of the slope above the VRU unit, installation of pumps and pipelines, installation of equipment on loading islands, and electrical installations. In the upcoming period, construction of the foundation for the VRU



unit and its assembly is expected to commence. Completion of the overall project is expected in the coming months.

The JIG 1530 standard for JET A-1 fuel has been fully implemented and is applied on a regular basis. An inspection conducted by a JIG inspector resulted in a positive assessment report.

Reconstruction works on tanks R-11 and R-12, including cleaning and degassing activities, have commenced under the organization of the Ministry of Energy of Montenegro.

Activities of the Fuel Transport Unit include fuel delivery, technical preparation of the vehicle fleet, ongoing vehicle maintenance, and control of the entire transport process.

At the Tivat and Podgorica Air Services, preparations for the summer season are underway. Based on published flight schedules, significantly higher volumes are expected compared to the same period last year at both locations. In addition to aircraft fuel supply, activities include regular maintenance of equipment and facilities and continued implementation of the JIG standard.

During the first quarter, corrective maintenance of equipment at gas stations was carried out in line with operational needs arising from increased activity ahead of the summer season. These activities aim to ensure uninterrupted operations and a high level of service quality during peak traffic periods.

Construction of the petrol station on the highway has been completed and is expected to start soon following completion of the licensing process. Revision of the main design for BS Auto put 2 has been completed, with issuance of the construction permit expected shortly, after which construction works will commence. Reconstruction works at BS Ulcinj have started.

The construction of solar power plants is progressing in accordance with the plan. All technical works have been completed by the contractor, and the Company is currently awaiting final permits, regulatory approvals, and commissioning. Completion is dependent on approvals from the competent authorities.

Human resources

As of the end of the first quarter of 2026, Jugopetrol AD employed 110 people, representing an increase of one employee compared to the same period last year. Jugopetrol AD remains committed to employee well-being and professional development and continues to invest in education and training.

As in previous years, Jugopetrol AD participated in the government-sponsored internship program, under which three interns were engaged during the year.

CSR update

Support for Culture and Sports

Jugopetrol AD, in cooperation with the Embassy of Greece, provided support for the organization of the celebration of Greek Independence Day, held on March 25, 2026, in Podgorica.

Jugopetrol and the Water Polo and Swimming Federation have signed a sponsorship agreement, thereby formalizing a partnership that represents a natural synergy between two organizations with decades of continuous success and dedication in their respective fields. This partnership is founded on shared values and aims to further develop water polo and swimming, as well as to promote sports and healthy lifestyles in Montenegro.



Education

Jugopetrol AD continues to invest in knowledge and the development of young people in Montenegro by awarding three scholarships for postgraduate studies in the fields of engineering and energy, digital transformation, environmental sciences, economics, and management.

The scholarship program forms part of the company's broader corporate social responsibility initiative and is designed to support talented Montenegrin students and young researchers who wish to further their education both in Montenegro and abroad.

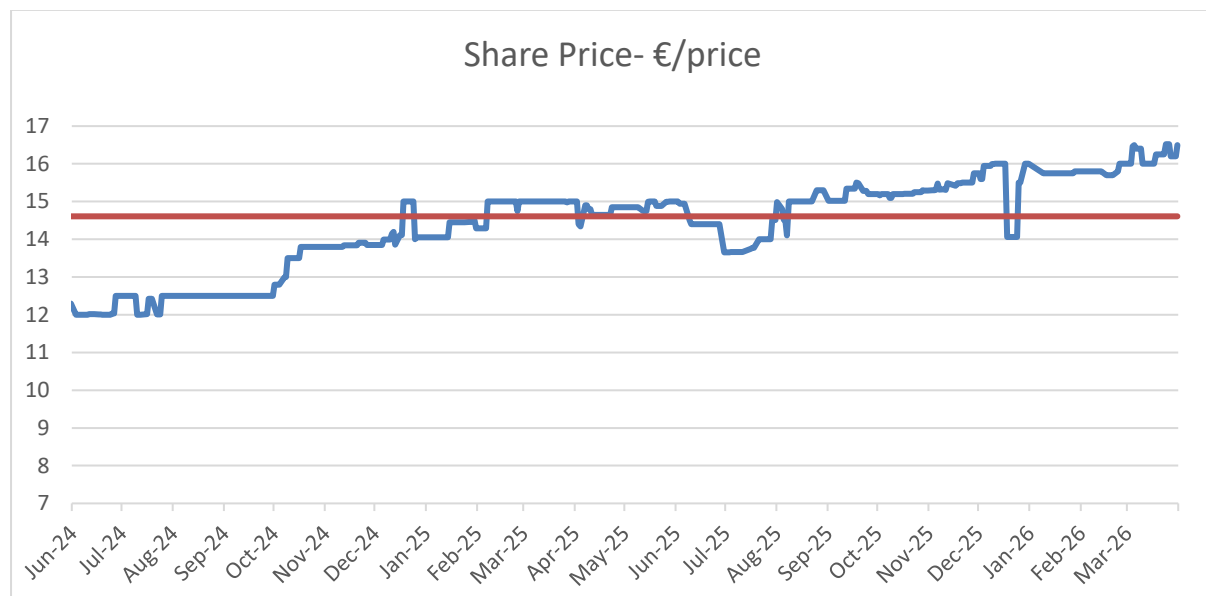


Taking into account students' needs, Jugopetrol is awarding three scholarships this year for full-time postgraduate studies, covering tuition fees and, under certain conditions, providing partial support for living expenses. Two scholarships are intended for studies at Montenegrin universities, while the third supports studies abroad at universities in Europe, North America, and Australia.

Investor update

Jugopetrol AD's shares remain among the most actively traded securities on the Montenegrin capital market. During the first quarter of 2026, the share price fluctuated within a range of EUR 15.70 to EUR 16.52, with an average trading price of EUR 15.96.

In the first quarter of 2026, the Company did not repurchase any of its own shares. Accordingly, the total number of issued shares remained unchanged at 4,653,971, each with a nominal value of EUR 14.61.



RISK MANAGEMENT

Main risk factors and mitigating measures

The Company is exposed to a variety of macroeconomic (foreign exchange, oil price), financial (market risk, credit risk, liquidity risk), and operational risks. In line with international best practice and within the context of the local market and regulatory framework, the Company's overall risk management policy is designed to reduce potential exposure to market volatility and/or mitigate its adverse effects on the financial position of the Company to the extent possible.

Main risks	Assessment/Mitigating measures
Macroeconomic environment	
Foreign exchange risk	<ul style="list-style-type: none"> - The functional currency of the Company is EUR and sales and purchases are denominated in EUR; management considers the exposure to foreign currency fluctuations to be immaterial. - A small number of transactions in other currencies are translated into EUR at the date of the transaction.
Oil price	<ul style="list-style-type: none"> - The Company is exposed to the risk of commodity prices of oil. However, given that sales prices are regulated by state decree according to the market price of oil, and that purchase prices follow the same pattern, the exposure to price risk is not considered significant. Nevertheless, complete protection against international fuel price fluctuations cannot be fully ensured.
Financial risks	
Market risk: - Cash flow and fair value interest rate risk	<ul style="list-style-type: none"> - The Company's exposure to market risk for changes in interest rates relates primarily to the Company's short-term deposits included in cash and cash equivalents. Given the current market interest rates, the cash flow risk is not considered to be material.
Credit risk	<ul style="list-style-type: none"> - Differentiation of customers' mix - Faster collection of receivables (DSO reduction) - Review of customer rating status and limits - Increased coverage with hard collaterals.
Liquidity risk	<ul style="list-style-type: none"> - Maintaining sufficient cash - Improving rate of collection of receivables - Adjusting the amount of dividend paid to shareholders - Phase capex - Monitoring capital on the basis of the gearing ratio. <p>The Company did not use any bank borrowings.</p>
Operational risk	
Safety & Environment	<ul style="list-style-type: none"> - Application of safety procedures and regular inspection of all facilities. - Investments to improve the level of safety and environmental protection.
Compliance in terms of operational and product quality	<ul style="list-style-type: none"> - Implementation of necessary measures to ensure full compliance with the existing specifications, both at the supply chain level and in terms of product quality. - Investments to adapt equipment configuration in accordance with the local framework.
Property and liability risk	<ul style="list-style-type: none"> - Insurance cover for a range of risks, including damage to property, personal injury, business interruption, product and other liability.



Overview of Internal Audit System and Risk Management

In the same context, the Company's Internal Audit System and Risk Management include safeguards and monitoring mechanisms at various levels within the organization, as described below:

Risk Identification, Assessment, Measurement and Management

The identification and assessment of risks is mainly done during the strategic planning and the annual preparation of the business and audit plan. Benefits and opportunities are considered in the context of the Company's activities, but also in relation to the several and varied stakeholders that may be affected.

Planning and Monitoring/ Budget

The Company's performance is monitored through a detailed budget per operating sector and market.

The budget is systematically adjusted, and management monitors the development of the company's financial performance through regular reports and comparisons of budget and actual results.

Adequacy of the Internal Control System

The Internal Control System consists of the policies, procedures and tasks which have been designed and implemented by the Management Team of the Company and Internal Audit Department for the purpose of the effective management of risks, the achievement of business objectives, the reliability of financial and administrative information and compliance with the laws and regulations.

The independent Internal Audit Department ensures, through periodic evaluations, on-site and administrative audits, that the identification procedures and risk management applied by management are adequate, that the internal control system is operating effectively and that the information provided to the Board of Directors in relation to the internal control system is reliable and of good quality. In addition, Internal Audit acts on recommendations made by HP Group Internal Audit and is responsible for their implementation.

In the first quarter of 2026, the Internal Audit performed the following obligations from the Annual Audit Plan, which were foreseen in the observed period, as well as audits in the context of checking adequate risk management and minimizing it:

Audit of contracts with suppliers from the domain of supplementary assortment, audit of all types of collateral when it comes to credit customers, audit of video surveillance, filling station and sealing of tanks at Terminal Bar, audit of the adequacy of changing alarm codes at gas stations, audit of ADR certificates of all workers at petrol stations (employees of COMO companies), audit of fuel deliveries, stocks and commercial documentation at the Tivat Air Service, audit of technical, safety and IT connections aspects of the newly opened Zeta gas station, follow-up process unregistered invoices of supplementary assortment, follow-up of adequacy of internal controls when it comes to losses of supplementary assortment, follow-up of monitoring of losses in secondary transport.



In addition, in the context of prudence and observed anomalies, the Internal Audit continued to follow up and issued additional and repeated recommendations to the Operational Sector in terms of continuous checking of vehicles used for transport purposes.

In the first quarter of 2026, the internal audit service performed 16 field audits of gas station operations (financial, commercial, technical and HSSE aspect), and based on daily risk assessment based on delivery schedules and 37 spot audits in the field of monitoring deliveries of fuel products to petrol stations, based on a combination of GPS and field monitoring, as well as on a sample basis, checking the accuracy of tank truck volumeters.

In order to prevent possible risks, in the first quarter of 2026, the Internal Audit continued the monitoring of fuel differences for each business segment, including retail operations, terminals and secondary transport, on the basis of which it addressed exact recommendations in terms of improving internal controls and monitoring of perceived risks, dominantly referring to the establishment of a second level of internal controls, possible correction of measuring devices and regular reporting and feedback from the relevant sectors.

Roles and responsibilities of the BoD

The role and responsibilities of the Board are described in the Company's Internal Procedures Manual, which is approved by the Board.

Prevention and Suppression of financial fraud

Areas considered to be at high risk of financial fraud are monitored through appropriate internal controls and enhanced security measures. In addition to the internal controls applied by each department, all activities of the Company are reviewed by the Internal Audit Department, which reports its findings to the BoD.

Internal Operating Regulation

The Company has established relevant internal regulations which have been approved by the BoD. Within the framework of the regulations, powers and responsibilities are defined which promote an appropriate segregation of duties within the Company.

The Company's Code of Conduct

As part of its fundamental commitment to good corporate governance, the Company has developed and adopted the Code of Conduct, which has been approved by the Board of Directors of the Company. The Code of Conduct summarizes the principles by which each individual, employee or third party involved in the Company's operations, as well as collective bodies, should act within the scope of their duties. For this reason, the Code is a practical guide for the day-to-day activities of all employees of the Company, as well as third parties who work with the Company.

Safeguards in Information Technology Systems

The Group's IT Department is responsible for the development of the IT strategy and the training of staff to meet emerging needs and is also responsible for the support of IT systems and applications through the preparation and updating of operating manuals, in collaboration



with external consultants where necessary. The Company has developed an adequate framework to monitor and control its IT systems, defined by a set of internal controls, policies and procedures.

Safeguards for Financial Statements and Financial Reporting

The Company applies common policies and monitoring procedures of accounting department which include, amongst others, definitions, accounting principles adopted by the Company, guidelines for the preparation of financial statements and consolidation. Furthermore, it also runs automatic checks and validations between different transactional and reporting systems. In cases of nonrecurring transactions special approval is required. In this regard, the Internal Audit Department performs additional sampling-based checks in the observed period. The Internal Audit Department monitors the compliance of the Accounting Policies Rulebook with the applicable provisions of the Law on Accounting and relevant international accounting standards.

Chart of Authorities Existence of a chart of authorities, which depicts assigned authorities to various Company executives, in order to complete certain transactions or actions (e.g. payments, receipts, contracts, etc.)