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LUKOIL Netherlands B.V.

Annual report 2024

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1. Report of the Board of directors

1.1 Report of the Board of Directors

The Board of Directors of LUKOIL Netherlands B.V. ("the Company") hereby presents its annual report for the financial year ended on 31 December 2024.

General information

LUKOIL Netherlands B.V. is a 100% subsidiary of LUKOIL Belgium N.V., which is part of the LUKOIL Group with PJSC LUKOIL as the ultimate parent. LUKOIL is one of the largest oil & gas vertical integrated companies in the world.

The Company's business objective is to sell fuels by providing the highest quality at the lowest price to its customers. The main products are automotive fuels and lubricants, sold through a network of manned and unmanned retail stations and via small wholesale channels and export. As mission-vision, the Company aims to move forward to a smart, strong and service driven organization that becomes the first choice of its customers.

Business activity is mainly located in the middle and the southern part of The Netherlands. The main categories of clients are business and private customers, gas stations, transportation firms, traders, garages and agricultural business. The Company owns a Diesel terminal, located at the border of the Maas at the same

Moving along with the rapidly changing world will be necessary in any case to find an answer to the major challenges of the coming years, such as the large disadvantageous price differences for fuel and tobacco at the borders for the Netherlands, environmental issues and developments or a shortage of labor put further pressure on the profit model. Due to the increasing competition, we also still see the trend of increasing discounts and in response to this battle for the customer there is a clear need to work more efficiently and increase the overall service level. Digitalization, mobile payments, apps and social media are also areas that still require necessary attention.

In the past year, we have invested heavily in the renovation of our stores and car washes in order to continue to grow in non-fuel income with high margins. For example, in the past year the rollover has been renewed at 6 different locations and 2 wash boxes have been added to the Lukoil location in Brunssum. The shop in Schelluinen has also been significantly expanded and extended with a beautiful bakery according to our latest Lukoil corporate concept. We have also invested in further digitalisation at several locations, such as cashless payment solutions, automatic ordering systems and the installation of additional digital ordering terminals

We had a stable supply situation in 2024, considering the embargo which kicked in the year before; there were no issues in terms of product supply.

For wholesale sales, we could grow the volume versus the previous year, thanks to our customer service and keeping regular contact with prospects as well as existing customers as parties who left us. The B2B margin stayed at the good level of the year before. The export and ex tank business also showed a small growth vs 2023.

Financial information

Above described developments led to the following financials:

Turnover decreased with 6.35% in 2024 and amounted to EUR 316.4 million (2023: EUR 337.8 million). Meanwhile cost of sales also decreased in line to EUR 287.5 million (2023: EUR 306.7 million). Main reasons are the decreased product prices in 2024 and retail volumes under pressure. Gross margin decreased with EUR 2.2 million to EUR 28.9 million (2023: EUR 31.2 million).

Cost of outsourced work and other external cost remained stable with a minor decrease of 0.002 million, where salary related costs increased with 0.1 million mainly due to indexations. Depreciation and amortization decreased with 0.4 million. In total the companies operating result decreased by 13.64%, going from EUR 14.4 million in 2023 to EUR 12.5 million in current year.

At the balance sheet date, solvency of the company (Equity vs Balance sheet total) was 39.9% (vs. 35% in 2023). Consequently, liquidity also increased to a current ratio (current assets/current liabilities) of 1.78 (vs. 1.49 in 2023). The Company also has a positive cash balance of 44 million and a cash pooling facility with Litasco SA of 11.1 million, which is readily available by the company.

The Company's main performance indicators are sold volumes, EBITDA and operating expenses. For the year 2024, performance was better than planned.

Major risks and uncertainties

Due to the market on which it operates, the Company can be exposed to significant risks and uncertainties that might have a negative impact. The Company has implemented a variety of internal procedures and measures to minimize these risks and uncertainties.

In the overview below, the most important ones are described. However, the list is not conclusive, as there might be other risk and uncertainties that could have a negative impact on the Company's financial performance.

Risks and uncertainties related to the strategy

The major strategic risks to which the Company is exposed are:

- **Price risk:** The sales and purchase prices of the Company for petroleum products are based on the Platt's and Argus quotations, which can fluctuate significantly. Nevertheless, as they are following the same trend, no risk on the margin is recognized. This pricing risk only exists on inventory, which is seen as immaterial, as inventory levels are relatively low and turnover rate is high.
- **Tax environment:** The environment in which the Company operates is heavily regulated; as a result, the fuel prices and sales are influenced by local tax rates. As these rates are often different by country, fuel stations close to the border experience impacts on volumes and margins. Most significant impacts are coming from differences in excise duty rates, which either can be favorable given foreign excise increases or can be negative if Dutch excises are increased.

Risks and uncertainties related to operational activities

Because of its operational activities, the Company has identified the following risks:

- **Laws and regulations:** The Company is, given its core activity of exploitation of fuel stations, subjected to legislation regarding the proper operation of its stations. Safety and environmental regulations need to be followed strictly and need to be in line with latest legislation. This could have an impact on operating expenses or investment costs. The Company has implemented various internal control procedures and policies, aimed at reducing Health, Safety and Environmental incidents and is constantly monitoring that every station meets all its legal requirements. No important breaches were noticed (internally nor externally) during the year 2024. Some regulatory reviews from responsible local authorities were conducted, all with positive outcomes.
- **Risks related to damage to the property:** The Company is exposed to the risk of damage to the property of third parties, damage to its own property and other liabilities to third parties. The Company has taken out various insurance policies with third parties against these risks.

Risks and uncertainties related to the financial position

Companies are exposed to risks and uncertainties related to their financial position. For example, a possible inability to pay long and short-term debts. LUKOIL Netherlands B.V. finances its operations mainly through its working capital. It has a cash pool facility with Litasco SA where cash is readily available to cover eventual liquidity needs. As this year both solvency and liquidity increased due to good results, the management does not expect the need to enter into a loan and deems these risks as not significant.

Risks and uncertainties related to the financial reporting

The financial reporting of the Company can be divided into internal and external financial reporting.

The external reporting of the Company consists of an annual report, which is audited by an external auditor. The external reporting of the Company is prepared in compliance with Dutch GAAP including IFRS 16 - Leasing.

Internal financial reporting consists of monthly financial and operational management reports of actuals in comparison to the budget and previous periods. Monthly reporting is prepared by the finance department, in cooperation with the planning & control department of LUKOIL Western Europe Cluster.

On a quarterly basis, the financial results are reported to PJSC LUKOIL, the ultimate parent. Quarterly financial reporting is prepared by LUKOIL Accounting and Finance Europe in cooperation with the local finance department. All internal financial reporting is prepared in compliance with International and Financial Reporting Standards (IFRS).

The quality of the financial reporting is monitored on a daily basis by our controllers; financial and operational results are analyzed, explained and investigated in detail if needed. The quality of financial reporting is audited on a yearly basis by our external auditor; findings related to the quality of the financial reporting are communicated.

Risks and uncertainties related to compliance

The environment, in which the Company operates, is heavily regulated by local authorities. The Company is aware of the importance of compliance with local tax and environmental laws as non-compliance could have an adverse effect on the financial performance. Therefore, extensive measures are implemented in the procedure to ensure compliance.

The Company, with help of its legal, environmental and tax advisors, monitors legislative changes and takes steps to obtain information about such changes at the preliminary discussion stage. The Company employs qualified personnel to ensure compliance with local legislation. In case of a shortage of qualified personnel, budget is available for the development of employee skill levels.

Management believes that it has adequately met all legal requirements and correctly provided for liabilities, based on its interpretation of existing legislations. Overall, no significant risks and uncertainties were materialized during the financial year.

Environmental and personnel-related information***Environmental information***

LUKOIL Netherlands BV complied with the bio legislation which was applicable in 2024 and which amounted up to 28.4% in energy content.

Customers who want to reduce their CO₂ emissions from fuel consumption can come to LUKOIL for both pure HVO as well as a 20% HVO blend. In some stations, LUKOIL is already selling these two products, which can generate up to 89% of CO₂ savings. The company is also investigating a good and efficient way for gradual EV implementation.

Personnel-related information

The Company has offices at two locations: Maastricht and Hardinxveld. Both offices are staffed with people taking care of sales activities (retail, fleet and wholesale) and direct supporting services. Finance and HR department is centralized in the Maastricht office.

During the year 2024 the last COCO sites (Company Owned – Company Operated), where the Company also employs a team of salespeople who work at the service station and who are led by an employed team lead, were transformed. All sites in the network work now in a Company Owned-Dealer Operated (CODO) mode of operation where an independent operator is responsible for his employees and for running the Shop.

The Company employed in total 30 FTE in 2024 (35 FTE in 2023).

Information regarding financial instruments

As for the exposures endeavored by the Company for price-, credit-, liquidity-, currency-, interest rate- and cash flow risks, the Company actively acknowledges these risks and has implemented a variety of internal procedures and controls to minimize these risks. For a further detailed elaboration of this information, we refer to section 10 in the notes to the financial statements.

Information regarding aspects of corporate social responsibility

The Company takes into account all aspects of environmental, social and economic responsibilities. In 2024 there were no issues identified.

We want LUKOIL group to grow continuously and on the long-term develop the LUKOIL group into a leading energy multinational. A socially responsible group that cares for its employees and partners, which makes good use of natural resources and takes into account the well-being of the environment. The Company will act in line with these ambitions.

Information concerning application of code of conduct

The Company and its employees follow the code of conduct drawn up by the board of directors of PJSC LUKOIL, which is mandatory for all companies within the LUKOIL Group. The code of conduct can be found on the website of PJSC LUKOIL.

Other information

The Company implemented a high level of information supply and automation. It is highly dependent on its IT systems but risks are limited by implementing good back-up procedures and emergency plans.

The Company did not have any activities or expenses for Research and Development.

The Company applies the risk management and internal control policy drawn up by the board of directors of PJSC LUKOIL. The goal of the company's risk management and internal control is to provide reasonable assurance in a situation characterized by uncertainty and unfavorable circumstances. The risk management and internal control policy can be found on the website of PJSC LUKOIL.

The Company has no supervisory board.

As mentioned in the notes, the Company applies the intermediate consolidation exemption pursuant to Section 408, Book 2 of the Dutch Civil Code. In order to comply with this exemption, the consolidated financial statements have to be published with the Dutch Chamber of Commerce. The directors will do a close follow-up on the status of the consolidated financial statements of 2023 which are under preparation by Lukoil International GmbH. As soon as these are finalized, consolidated statements will be filed with the Chamber of Commerce.

Male/female ratio of the Board of Management

The Board of Directors consists of two men. However, the Company's daily operations are led by a team of six executives (including the Board of Directors) where we see the healthy balance of three women and three men. If any formal Board of Directors' position has to be filled, in the future the Company will assess who is best fit for the position independent from gender and appoint new members accordingly to their job qualities.

Outlook

In 2025, we will continue to focus on expanding our Non-Fuel activities, mobility solutions, loyalty programs and further digitalization of commercial offers. In addition, the focus will also remain on improving our stores, with an emphasis on food experience, coffee and car wash.

We note that obtaining network electrical grid capacity is currently a major problem in the Netherlands and that this is an obstacle to a large-scale rollout. Nevertheless, charging stations will be installed in Eindhoven this year within the existing grid capacity of the station. The stations in Oosterhout and Gorinchem will be renovated to the latest corporate shop concept at the end of 2025. 22 locations will also be equipped with the

renewed coffee concept with freshly ground beans. The loyalty app for B2B and BTC will also be introduced on a grand scale and finally, a new mobility card will also be rolled out for Fleet customers with EV charging options at 280,000 locations throughout Europe. In short, always moving forward!

In 2024 we complied with the bio legislation which amounted up to 28.4% in energy content. In 2025 this obligation will increase to 29.4 %. In line with the European Directive we will start preparing our monitor plan during 2025 for the introduction of ETS2 as from 1st of January 2027.

PJSC LUKOIL is a major international non-state-owned energy company. As a 100% listed entity, it is fully owned by private shareholders from all over the world, including the European Union and the United States. Today, neither LUKOIL nor any member of its management are on the European sanction list, and as per the date of these financial statements, there are no indications that the geopolitical environment could affect its going concern assumption. LUKOIL Netherlands B.V., being a subsidiary of PSJC LUKOIL, is not directly impacted by the above mentioned sanctions. Throughout its activities the Company fully complies with the current legislation and is fully independent from any political decision-making process. LUKOIL Netherlands purchases its gasoline and its diesel on the Amsterdam-Rotterdam-Antwerp market. All of those products are of non-Russian origin. The company employs 30 (Dutch) FTE and pays social security and income taxes to the Dutch authorities. LUKOIL has been proving for decades that it is a reliable energy supplier in the Benelux. It has a 45% stake in Zeeland Refinery in full cooperation with TotalEnergies in Vlissingen and manages a network of 250 fuel stations in the Benelux.

As per the date of these financial statements, there are no indications that the Ukraine conflict could affect its going concern assumption.

Maastricht, August 26, 2025

Ivo Hoskens

Fabrice Vanhoucke

2. Financial statements

2.1 Balance sheet as of 31 December 2024

(Before result appropriation)

	<i>Note</i>	31 December 2024		31 December 2023	
ASSETS		EUR	EUR	EUR	EUR
Fixed assets					
Tangible fixed assets	<i>1</i>	32.348.938		32.363.483	
Financial fixed assets	<i>2</i>	<u>1.409.363</u>		<u>5.136.032</u>	
			33.758.301		37.499.515
Current assets					
Inventories	<i>3</i>	6.177.997		6.932.043	
Trade and other receivables	<i>4</i>	25.611.234		28.220.554	
Cash and cash equivalents	<i>5</i>	<u>43.954.707</u>		<u>27.199.532</u>	
			75.743.938		62.352.129
Total assets			<u>109.502.239</u>		<u>99.851.644</u>
LIABILITIES					
Shareholder's equity					
Issued and paid up share capital	<i>6</i>	777.800		777.800	
Share premium reserve		296.652		296.652	
Retained earnings		33.927.370		23.957.514	
Result of the year		<u>8.639.839</u>		<u>9.969.856</u>	
			43.641.661		35.001.822
Provisions	<i>7</i>		3.329.944		3.352.142
Non-current liabilities	<i>8</i>		20.002.268		19.617.170
Current liabilities	<i>9</i>		42.528.366		41.880.510
Total equity and liabilities			<u>109.502.239</u>		<u>99.851.644</u>

The notes on pages 11 to 35 are an integral part of these financial statements.

2.2 Profit and loss account 2024

	<i>Note</i>	31 December 2024		31 December 2023	
		EUR	EUR	EUR	EUR
Net turnover	<i>13</i>	316.400.634		337.838.619	
Other operating income		<u>0</u>		<u>32.106</u>	
Total operating income			316.400.634		337.870.725
Cost of consumables		-287.462.704		-306.696.821	
Cost of outsourced work and other external costs	<i>14</i>	-7.859.856		-7.861.952	
Wages and salaries	<i>15</i>	-2.072.746		-1.931.229	
Social security and pension charges	<i>16</i>	-449.628		-472.494	
Amortization and depreciation on fixed assets	<i>17</i>	-6.068.069		-6.469.356	
Other operating expenses		<u>-18.979</u>		<u>-</u>	
Total operating expenses			-303.931.982		-323.431.850
Operating result			<u>12.468.652</u>		<u>14.438.875</u>
Interest and similar income	<i>18</i>	573.126		393.517	
Interest and similar charges	<i>19</i>	<u>-1.413.694</u>		<u>-1.411.665</u>	
Total financial income and expense			-840.568		-1.018.147
Result before taxation			<u>11.628.084</u>		<u>13.420.728</u>
Tax on result	<i>20</i>		-2.988.245		-3.450.871
Result after taxation			<u>8.639.839</u>		<u>9.969.856</u>

The notes on pages 11 to 35 are an integral part of these financial statements.

2.3 Notes to the financial statements

General

Reporting entity and relationship with parent company

LUKOIL Netherlands B.V., ('the Company'), having its legal address in Maastricht, the Netherlands, is a private limited liability company under Dutch law and is registered under number 14621973 in the Trade Register.

100% of the shares of the Company are held by LUKOIL Belgium N.V., while the ultimate parent of the Company is LUKOIL PJSC Group in Moscow, Russia. The financial information of the Company is included in the consolidated financial statements of LUKOIL PJSC Group. These consolidated financial statements can be obtained through the group's website: www.lukoil.com.

The main activities of the Company consist of operating a large number of gas stations selling fuels and other services and the trade of fuels with customers (wholesale). The activities of the Company are carried out both in the Netherlands, Germany and Belgium.

Financial reporting period

These financial statements cover the year 2024, which ended at the balance sheet date of 31 December 2024.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. The Company also applies IFRS 16 Leasing as of 1 January 2019.

The accounting policies applied for measurement of assets and liabilities and determination of results are based on the historical cost convention, unless otherwise stated in the further accounting principles.

Going concern

The financial statements of the Company have been prepared on the basis of the going concern assumption.

Accounting policies for the measurement of assets and liabilities and the determination of the result

General

Assets and liabilities are measured at historical cost, unless stated otherwise in the further principles.

An asset is recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognized in the balance sheet are considered as off-balance sheet assets.

A liability is recognized in the balance sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Provisions are included in the liabilities of the Company. Liabilities that are not recognized in the balance sheet are considered as off-balance sheet liabilities.

An asset or liability that is recognized in the balance sheet, remains recognized on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur are not taken into account in this assessment.

An asset or liability is no longer recognized in the balance sheet, and thus derecognized, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. However, in circumstances where the transaction does not significantly change the economic reality of an asset or liability, this asset or liability remains recognized on the balance sheet. In such cases, the results of the transaction are directly recognized in the profit and loss account, taking into account any provisions related to the transaction.

If assets are recognized of which the Company does not have the legal ownership, this fact is being disclosed.

Income is recognized in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises of which the size can be measured reliably. Expenses are recognized when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises of which the size can be measured with sufficient reliability.

Revenues and expenses are allocated to the respective period to which they relate. Revenues are recognized when the Company has transferred the significant risks and rewards of ownership of the goods to the buyer.

Functional and presentation currency

The financial statements are presented in euros ('EUR'), which is the Company's functional currency. All amounts have been rounded to the nearest EUR.

Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that effect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Leases (note 12): definition of the lease, whether an arrangement contains a lease and on the lease term, whether the Company is reasonably certain to exercise extension options.

The Company has applied judgement in presenting related information together in a manner that it considers to be most relevant to an understanding of its financial performance and financial position.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 December 2024 is included in the following notes:

- Provisions (note 7): recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Lease obligations (note 8 and 9): recognition and measurement of the current and non-current lease obligation: key assumptions about the residual value and renewal options of lease contracts.

Intermediate consolidation exemption

The Company applies the intermediate consolidation exemption pursuant to Section 408, Book 2 of the Dutch Civil Code. The financial data of the Company and its participating interest (Verolma Mineralöl GmbH, Aachen, Germany) are included in the consolidated financial statements of LUKOIL International GmbH in Vienna, Austria.

Principles for the translation of foreign currencies

Transactions in foreign currencies

At initial recognition, transactions denominated in a foreign currency are translated into the functional currency of the Company at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date into the functional currency at the exchange rate applying on that date. Exchange differences resulting from the settlement of monetary items, or resulting from the translation of monetary items denominated in foreign currency, are recognized in profit and loss in the period in which the exchange difference arise.

Non-monetary assets and liabilities denominated in foreign currency that are measured based on historical cost, are translated into the functional currency at the exchange rates at the date of the transactions.

Financial instruments

Financial instruments include investments in shares and bonds, trade and other receivables, cash items, loans and other financing commitments, derivative financial instruments, trade payables and other amounts payable. These financial statements contain the following financial instruments: issued loans and receivables and other financial liabilities.

Financial assets and liabilities are recognized in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate.

Financial instruments are derecognized if a transaction results in a considerable part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party.

Financial instruments (and individual components of financial instruments) are presented in the financial statements in accordance with the economic substance of the contractual terms. Presentation is based on the individual components of these financial instruments as a financial asset, financial liability or equity instrument.

Financial instruments are initially measured at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognized in the profit and loss account at the initial recognition.

After initial recognition, financial instruments are valued in the manner described below.

Loans granted and other Receivables

Loans granted and other receivables are carried at amortized cost on the basis of the effective interest method, less impairment losses. The effective interest and impairment losses, if any, are directly recognized in the profit and loss account. Purchases and sales of financial assets that belong to the category loans granted and other receivables are accounted for at the transaction date.

Non-current and current liabilities and other financial commitments

Non-current and current liabilities and other financial commitments are measured after their initial recognition at amortized cost on the basis of the effective interest rate method. The effective interest is directly recorded in the profit and loss account.

Redemption payments regarding non-current liabilities that are due next year, are presented under current liabilities.

Impairment of financial assets

A financial asset that is not measured at (1) fair value with value changes reflected in the profit and loss account, or at (2) amortized cost or lower market value, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the issuer or obligor, breach of contract such as default or delinquency in interest or principal payments, granting to the borrower a concession that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy or other financial restructuring, the disappearance of an active market for that financial asset because of financial difficulties or observable data indicating that there is a measurable decrease in the estimated future cash flow, including adverse changes in the payment status of borrowers or issuers, indications that a debtor or issuer is approaching bankruptcy, and the disappearance of an active market for a security.

Indicators for subjective evidence are also considered together with objective evidence of impairments, such as the disappearance of an active market because an entity's financial instruments are no longer publicly traded, a downgrade of an entity's credit rating or a decline in the fair value of a financial asset below its cost or amortized cost.

The Company considers evidence of impairment for financial assets measured at amortized cost (loans and receivables) both individually and on a portfolio basis. All individually significant assets are assessed individually for impairment. The individually significant assets that are not found to be individually impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of collections and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Impairment losses are recognized in the profit and loss account and reflected in an allowance account against loans and receivables or investment securities held to maturity. Interest on the impaired asset continues to be recognized by using the asset's original effective interest rate.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

Offsetting financial instruments

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

If there is a transfer of a financial asset that does not qualify for de-recognition in the balance sheet, the transferred asset and the associated liability are not offset.

Intangible fixed assets

Intangible fixed assets are only recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of that asset can be measured reliably.

Intangible fixed assets are measured at acquisition or construction cost, less accumulated amortization and impairment losses.

Expenditures made after the initial recognition of an acquired or constructed intangible fixed asset are included to the acquisition or construction cost if it is probable that the expenditures will lead to an increase in the expected future economic benefits, and the expenditures and the allocation to the asset can be measured reliably. If expenditures do not meet these conditions, they are recognized as an expense in the profit and loss account.

The accounting principles for the determination and recognition of impairments are included under the section Impairments of fixed assets.

Goodwill

Goodwill represents the excess of the cost of the acquisition of the participating interest (including transaction costs directly related to the acquisition) over the Company's interest in the net realizable value of the assets acquired and the liabilities assumed of the acquired entity, less cumulative amortization and impairment losses. Internally generated goodwill is not capitalized.

The capitalized positive goodwill is amortized on a straight-line basis over the estimated useful life, determined at 10 years being the estimated payback period.

In case of a full or partial sale of a participating interest, the positive goodwill that can be allocated to the sold part is written off proportionally and is charged to the book result.

Tangible fixed assets

Tangible fixed assets are recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of that asset can be measured reliably.

Land and buildings, plant and equipment and other fixed operating assets are measured at cost, less accumulated depreciation and impairment losses.

The cost comprises the price of acquisition or manufacture, plus other costs that are necessary to get the assets to their location and condition for their intended use. Expenditure is only capitalized when it extends the useful life of the asset. The cost of self-constructed assets includes the cost of materials and consumables and other costs that can be directly attributed to the construction. In addition, the cost of construction includes a reasonable part of the indirect costs and interest on loans for the period attributable to the construction of the asset.

If the payment term for the purchase price of a tangible fixed asset is beyond normal credit terms, the cost of the asset is based on the present value of the obligation.

Investment grants are deducted from the cost of the assets to which the grants relate.

Depreciation is recognized in the profit and loss account on a straight-line basis over the estimated useful lives of each item of the tangible fixed assets, taking into account any estimated residual value of the individual assets. No depreciation is recognized on land and tangible fixed assets under construction. Depreciation starts as soon as the asset is available for its intended use, and ends at decommissioning or divestment.

Items of tangible fixed assets with a finite useful live are depreciated separately. The Company applies the component approach for tangible fixed assets if important individual components of a tangible fixed asset can be distinguished from each other. Taking into account differences in useful life or expected pattern of use, these components are depreciated separately.

The following rates of depreciation are applied:

— Land	0%
— Buildings:	5 - 10%.
— Plant and equipment	10 - 20%.
— Other fixed operating assets:	10 - 20%.

Maintenance expenditures are only capitalized when the maintenance leads to extension of the useful life of the asset and/or future performance units regarding the asset.

For costs of recovery the provision for site restoration is recognized, see the policy under the heading 'Provisions'.

Tangible fixed assets, for which the Company and its group companies possess the economic ownership under a finance lease, are capitalized. The obligation arising from the finance lease contract is recognized as a liability. The interest included in the future lease instalments is charged to the profit and loss account during the term of the finance lease contract.

Assets retired from active use are measured at the lower of book value or net realizable value.

Financial fixed assets

Participating interests with significant influence

With reference to the paragraph "Intermediate consolidation exemption" the Company does not consolidate its participating interest with significant influence (Verolma Mineralöl GmbH, Aachen, Germany) in its financial statements (consolidation exemption Section 408, Book 2 of the Dutch Civil Code).

The participating interests is measured at the lower of cost or realisable value. In case of a firm intention to sell, the participating interest is measured at the lower expected sales value. If the Company transfers an asset or a liability to a participating interest that is measured at cost, the gain or loss resulting from this transfer is recognized directly and in full in the profit and loss account, unless the gain is in substance not realized.

Dividends are accounted for in the period in which they are declared. Dividends from participating interests that are carried at cost, are recognised as income from participating interests (under financial income) in the period in which the dividends become payable.

The further accounting policies for other financial fixed assets are included under the heading 'Financial instruments'.

Impairments of fixed assets

Tangible and intangible fixed assets are assessed at each reporting date whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of value in use and net realizable value. If it is not possible to assess the recoverable amount for an individual asset, the recoverable amount is assessed for the cash-generating unit to which the asset belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recognized for the difference between the carrying amount and the recoverable amount. If there is an impairment loss for a cash-generating unit, the loss is first allocated to goodwill allocated to the cash-generating unit. Any residual loss is allocated to the other assets of the unit pro rata to their book values.

Subsequently, at each reporting date, the entity assesses whether there is any indication that an impairment loss that was recorded in previous years has been decreased. If any such indication exists, then the recoverable amount of the asset or cash-generating unit is estimated.

Reversal of a previously recognized impairment loss only takes place when there is a change in the assessment used to determine the recoverable amount since the recognition of the last impairment loss.

In such case, the carrying amount of the asset (or cash-generating unit) is increased to its recoverable amount, but not higher than the carrying amount that would have applied (net of depreciation) if no impairment loss had been recognized in previous years for the asset (or cash-generating unit).

An impairment loss of goodwill is not reversed in a subsequent period.

Disposal of fixed assets

Fixed assets available for sale are measured at the lower of their carrying amount and net realizable value.

Inventories

Goods available for sale, being petroleum products, are measured at cost. The costs of purchase include the purchase price and additional expenditure, such as import duties, primary transport and other costs directly attributable to the acquisition of inventory. Trade discounts, rebates and indemnities (to be) received in connection with purchasing are deducted from the costs of purchase.

Other inventories are measured at the lower of cost and net realizable value. Cost includes the expenses for acquisition or manufacture, plus other expenditure to bring the inventories to their present location and condition. Net realizable value is based on the most reliable estimate of the amount the inventories will generate at the most, less costs still to make.

Inventories, being mainly fuels, are carried at the lower of cost, determined in accordance with the first-in, first-out (FIFO) principle, and market value.

Receivables

The accounting policies applied for the valuation of trade and other receivables are described under the heading 'Financial instruments'.

Cash and cash equivalents

Cash and cash equivalents are measured at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement.

Cash and cash equivalents that are not readily available to the Company within 12 months are presented under financial fixed assets.

Shareholder's equity

Issued financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholder's equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

Share premium

Amounts contributed by the shareholder(s) of the Company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.

Costs and capital taxes associated with the issue of shares that are not capitalized are deducted from share premium, after taken into account tax effects. If the share premium is insufficient for such deductions, the amounts are deducted from retained earnings.

Provisions

General

A provision is recognized if the following applies:

- the Company has a legal or constructive obligation, arising from a past event; and
- the amount can be estimated reliably;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Rights and obligations resulting from contracts under which neither party has performed any of its obligations or both parties have partially performed their obligations to an equal extent, are not recognised. Recognition occurs when the consideration to be received is not (or no longer) in balance with the performance obligation of the Company and this imbalance has adverse effects for the Company.

If all or part of the payments that are necessary to settle a provision are likely to be fully or partially compensated by a third party upon settlement of the provision, then the compensation amount is presented separately as an asset.

Provisions are measured at the nominal value of the best estimate of the expenditures that are expected to be required to settle the liabilities and losses. However, if the effect of the time value of money is material, the provision must be measured at the present value of the expenditures that are expected to be necessary to settle the obligations and losses. If the period over which the expenses are discounted is no longer than one year, it is permitted to measure the obligation at nominal value. The discount rate to be used shall reflect the current market interest rate at balance sheet date. Basically this is the market interest rate on high quality corporate bonds (adjusted for risks, unless these are already included in the estimates of future expenditures).

Provision for site restoration

The Company recognizes a right-of-use assets and a lease liability at the commencement date. The right-of-use assets is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The amount of the provision to be built up is the best estimate of the expenditure necessary to settle the liability.

Provision for environment

The environmental provision relates to the estimated costs of the environmental clean-up of gas stations when these are closed or sold to a third party. The provision for clearance of existing environmental pollution is recognized if obliged by the legislation of the country where the pollution occurs. The provision relates to the expected amount for the clearance from the moment that it is virtually certain that such legislation will come into force.

Non-current liabilities

The valuation of non-current liabilities is explained under the heading 'Financial instruments'.

Current liabilities

The valuation of current liabilities is explained under the heading 'Financial instruments'.

Revenue recognition

Sale of goods

Revenue from the sale of goods (mainly fuels and other consumables) is accounted for in net turnover at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and value added taxes.

Excise taxes are included in the revenue from sale of goods. The amount of excise taxes due is based on the volume discharged from the excise warehouse, which the Company holds.

Revenue from the sale of goods is recognized in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer, the amount of the revenue can be determined reliably, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing involvement with the goods.

The transfer of risks and rewards varies according to the conditions of the relevant sales contract. For the sale of petroleum products, transfer usually occurs when the products are delivered to the customer. For some wholesale transactions, however, transfer occurs when the goods have been loaded by the carrier at the terminal. For other products, like shop products and lubricants, delivery occurs when the buyer receives the goods.

Rendering of services

Revenue from services mainly relates to the usage of carwash facilities located at the petrol stations by third parties. The Company also leases part of its buildings to third parties for which it receives revenues.

Revenue from services rendered is accounted for in net turnover at the fair value of the consideration received or receivable, net of allowances and rebates.

Revenues from services rendered are recognized in the profit and loss account when the amount of the revenue can be determined reliably, collection of the related compensation to be received is probable, the extent to which the services have been performed on the balance sheet date can be determined reliably, and the costs already incurred and (possibly) yet to be incurred to complete the service can be determined reliably.

If the result from a specific service contract cannot be determined reliably, then revenues are recognized up to the amount of the service costs that are covered by the revenues.

Commissions

Revenue from commissions relates to commissions which the company receives on sales made by its dealers in the petrol stations.

Revenue from the sale of fuels and other consumables is recognized for the amounts received by the Company on its own account. Amounts received by the Company on behalf of third parties are not recognized as revenue.

When the Company acts in a transaction in the capacity of an agent rather than of a principal, the revenue recognized in the profit and loss account is the net amount of commission received by the Company in respect of the transaction.

Costs of outsourced work and other external costs

This includes costs incurred in order to generate operating income, insofar as these costs have been charged by third parties and is not to be regarded as costs of fuels and other consumables.

Employee benefits/pensions

Employee benefits are charged to the profit and loss account in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Company.

The recognized liability relates to the best estimate of the expenditure necessary to settle the obligation at the balance sheet date. The best estimate is based on contractual agreements with employees (collective agreement and individual employment contract). Additions to and reversals of liabilities are charged or credited to the profit and loss account.

For disability risks that are insured, a provision is recognized for the part of the insurance premiums payable in the future that is directly attributable to the individual claims record of the Company. If no reliable estimate can be made of the part of the insurance premiums payable in the future that is directly attributable to the individual claims record of the entity to be paid in the future, no provision is recognized.

Dutch pension plans

Basic principle is that the pension charge to be recognized for the reporting period is equal to the pension contributions payable to the pension provider over the period. In so far as the payable contributions have not yet been paid as at balance sheet date, a liability is recognized. If the contributions already paid at balance sheet date exceed the payable contributions, a receivable is recognized to account for any repayment by the fund or settlement with contributions payable in future.

If, on the basis of an administration agreement with respect to a group plan/multi-employer plan, there is an obligation at balance sheet date, a provision is recognized when it is probable that the measures, which are necessary for the recovery of the existing funding ratio at balance sheet date, will result in an outflow of resources and the amount thereof can be estimated reliably.

If there are adjustments to rights accrued as at the balance sheet date arising from future salary increases that are already committed to at the balance sheet date and which shall be paid by the Company, a provision is recognized.

In addition, a provision is included as at balance sheet date for existing additional commitments to the fund and the employees, provided that it is probable that there will be an outflow of funds for the settlement of the commitments and it is possible to reliably estimate the amount of the commitments. The existence or non-existence of additional commitments is assessed on the basis of the administration agreement concluded with the fund, the pension agreement with the employees and other (explicit or implicit) commitments to the employees. The provision is measured at the best estimate of the present value of the anticipated costs of settling the commitments as at balance sheet date. The pre-tax discount rate reflects the market interest rate at the balance sheet date of high quality corporate bonds/yield on government bonds. Risks that have already been taken into account in estimating future expenditure are not included in the discount rate.

For any surplus at the pension provider as at balance sheet date, a receivable is recognized if the Company has the power to withdraw this surplus, if it is likely that the surplus will flow to the Company and if the receivable can be reliably determined.

Leasing (IFRS 16 Leases)

As of the 1 January 2019 the Company has chosen to apply IFRS 16 Leases instead of RJ 292. The balance sheet, together with the statement of profit and loss and the notes to the financial statements, provide the user a basis for assessing the effect that leases have on the financial position and financial performance of the Company.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for considerations. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and;
- the Company has the right to direct the use of the assets.

As a lessee

At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use assets and a lease liability at the commencement date. The right-of-use assets is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate. The incremental borrowing rate is determined by the treasury department of PJSC LUKOIL in Moscow, by applying the synthetic method and making an expert evaluation based on the information available from the financial instruments of the LUKOIL group.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost, using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying assets. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying assets.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of the 'net turnover' from services, rents.

Interest income and similar income and interest expenses and similar charges

Interest income is recognized in the profit and loss account on an accrual basis, using the effective interest rate method. Interest expenses and similar charges are recognized in the period to which they belong.

Premium, discount and redemption premiums are recognized as interest expense in the period to which they belong. The allocation of these interest expenses and the interest income on the loan is the effective interest rate that is recognized in the profit and loss account. On the balance sheet, the amortized value of the debt(s) is recognized (on balance).

The amounts of the premium that are not yet recognized in the profit and loss account and the redemption premiums already recognized in the profit and loss account, are recognized as an increase in debt(s) to which they relate. Amounts of the discount that are not yet recognized in the profit and loss account are recognized as a reduction of the debt(s) to which they relate.

Corporate income tax

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity, or to business combinations.

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences.

For taxable temporary differences, a provision for deferred tax liabilities is recognized.

For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognized, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and deferred tax liabilities are offset in the balance sheet if the Company has a legally enforceable right to offset current tax assets against current tax liabilities, insofar as they relate to the same financial year and deferred tax assets relate to income taxes levied by the same tax authority on the same taxable Company.

The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the Company expects, at the balance sheet date, to realize or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

Fiscal unity

The Company is not part of a fiscal unity for corporate income tax and VAT purposes.

Cash flow statement

The cash flow statement has been omitted in these financial statements on the basis of RJ 360.104, since a cash flow statement is included in the consolidated financial statements of LUKOIL PJSC Group in Moscow, Russia. These consolidated financial statements can be obtained through the group's website: www.lukoil.com

Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other.

The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value, applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges.

Related parties

Transactions with related parties (refer to note 4, note 9 and note 21 for the identified related parties) are disclosed if they have not been entered into at arm's length. Disclosed are the nature and amounts involved with such transactions, and other information that is deemed necessary for an insight into the transactions.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared are recognized in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users, the nature and the estimated financial effects of the events are disclosed in the financial statements.

2.4 Notes to the balance sheet

1 Tangible fixed assets

A summary of the movements in tangible fixed assets is given below:

	Land and Buildings EUR	Right-of- use-assets EUR	Plant and Equipment EUR	Other fixed assets EUR	Total EUR
Acquisition value	20.501.012	44.220.297	19.503.359	8.627.194	92.851.862
Accumulated depreciation	-15.492.975	-21.278.524	-16.199.395	-7.517.485	-60.488.379
Book value as of 31 December 2023	<u>5.008.037</u>	<u>22.941.773</u>	<u>3.303.964</u>	<u>1.109.708</u>	<u>32.363.483</u>
Investments	830.078	219.828	741.657	568.854	2.360.416
Modifications		3.723.007			3.723.007
Disposals	-16.038	-140	-12.719	-1.001	-29.898
Depreciation	-760.487	-4.268.491	-629.259	-409.833	-6.068.069
Movements	<u>53.553</u>	<u>-325.796</u>	<u>99.679</u>	<u>158.020</u>	<u>-14.544</u>
Acquisition value	21.241.020	47.768.504	20.093.206	8.920.755	98.024.067
Accumulated depreciation	-16.179.430	-25.152.528	-16.689.563	-7.653.027	-65.674.548
Book value as of 31 December 2024	<u>5.061.590</u>	<u>22.615.976</u>	<u>3.403.643</u>	<u>1.267.728</u>	<u>32.348.938</u>

The historical cost of fully depreciated tangible fixed assets amounts to EUR 31.5 million as per 31 December 2024 (2023: EUR 29 million).

Other fixed assets relate to office equipment, transportations resources, soft- and hardware and other small equipment and tools.

Land and buildings include an amount for assets under construction of EUR 439.865 in 2024, (2023: EUR 126.804). Assets under constructions are not depreciated.

The company disposed some assets with a value of EUR 29.898 and incurred a loss of EUR 18.979 on the disposal of these assets, which is presented under other operating expenses.

For further disclosures on the Right-of-use-assets and IFRS 16 leases we refer to note 12 of these financial statements.

2 Financial fixed assets

A summary of the movements in financial fixed assets is given below:

	Participating interest EUR	Deferred tax asset EUR	Other financial fixed assets EUR	Total EUR
Balance as at 31 December 2023	24.946	111.086	5.000.000	5.136.032
Payment	-	-	1.100.000	1.100.000
Repayments	-	-	-5.000.000	-5000.000
Redclassification from provisions	-	-	-	-
Movement of deferred tax	-	173.331	-	173.331
Book value as at 31 December 2024	24.946	284.417	1.100.000	1.409.363

The participating interest relates to subsidiary Verolma Mineralöl GmbH (100%), which has been recorded at cost. No dividends were distributed by this subsidiary in 2023 and 2024.

As of December 31, 2024, the net asset value of the participation Verolma Mineralöl GmbH amounts to approximately EUR 1.4 million.

The deferred tax relates to temporary differences between the valuation principles for financial reporting purposes and for tax purposes related to tangible fixed assets, inventories and provisions. The deferred tax balance consists of a deferred tax asset amounting to EUR 839.134 (2023: EUR 724.935) and a deferred tax liability amounting to EUR 554.717 (2023: EUR 613.848).

Deferred taxes with a residual term of one year or less amount to EUR 147.576 (2023: EUR 185.487). These deferred taxes are expected to be settled in 2025.

The other financial fixed assets relate to a cash collateral to cover a guarantee for excise duties of EUR 1.103.928.

3 Inventories

	31 December 2024 EUR	31 December 2023 EUR
Petroleum products	6.180.347	6.830.196
Other inventories	47.569	118.119
Less: provision for obsolete stock	-49.919	-16.272
	6.177.997	6.932.043

4 Trade and other receivables

	31 December 2024 EUR	31 December 2023 EUR
Trade receivables	12.639.083	11.712.478
Receivables from related parties	12.369.870	13.831.092
Other account receivables and prepayments	585.747	2.645.041
Taxes and social security premiums	16.533	31.942
	25.611.234	28.220.554

The trade and other receivables are all due within one year. The carrying values of the recognized receivables approximate their respective fair values, given the short maturities of the positions and the fact that allowances for doubtful debts have been recognized, if necessary.

Trade receivables

	31 December 2024	31 December 2023
	EUR	EUR
Trade debtors	12.687.068	11.740.415
Less: provision for doubtful debts	-47.985	-27.937
	<u>12.639.083</u>	<u>11.712.478</u>

The provision for doubtful debts is fully related to third party receivables.

Provision for doubtful debts

	2024	2023
	EUR	EUR
Balance at the beginning of the year	-27.937	-50.573
Reversal, credited to the profit and loss account	25.612	34.350
Use, charged against the provision	7.733	38.468
Addition, charged to the profit and loss account	-53.393	-50.182
Balance at the end of the year	<u>-47.985</u>	<u>-27.937</u>

All expenses charged or credited to the profit and loss account are recorded in the selling expenses of the cost of outsourced work and external costs.

Receivables from related parties

	31 December 2024	31 December 2023
	EUR	EUR
Revolving loan agreement	11.093.498	11.084.593
Receivables from subsidiaries	1.204.344	2.661.997
Receivables from shareholder	72.028	84.502
Receivables from related parties	-	-
	<u>12.369.870</u>	<u>13.831.092</u>

In March 2021 the company signed a revolving loan agreement with Litasco SA in which Litasco SA is able to lend up to EUR 50 million. In October 2023 a new revolving loan facility agreement was signed which relates in particular to the interest rate. As per 31 December 2024, the loan amounts to EUR 11.1 million (2023: EUR 11.1 million).

This revolving loan facility is available in 2 workdays upon request by the Company. Interest rates are updated at the start of every quarter. Average current interest rate is 3.71% per annum. In 2023 the interest rate was 3,96% per annum.

In addition, the Company has outstanding receivables from subsidiaries and the shareholder, totaling EUR 1.3 million (2023: EUR 2.7 million). These receivables have a short term character and are non-interest bearing.

Taxes and social security premiums

	31 December 2024	31 December 2023
	EUR	EUR
Excise tax	16.533	31.942
	<u>16.533</u>	<u>31.942</u>

5 Cash and cash equivalents

	31 December 2024	31 December 2023
	EUR	EUR
Banks	43.947.523	27.116.706
Cash	7.184	82.826
	<u>43.954.707</u>	<u>27.199.532</u>

The cash and cash equivalents are available on demand.

6 Shareholder's equity

	Issued and paid up share capital EUR	Share premium reserve EUR	Retained earnings EUR	Result of the year EUR	Total EUR
Balance as at 31 December 2022	777.800	296.652	13.174.983	10.782.531	25.031.966
Appropriation of result to retained earnings	-	-	10.782.531	-10.782.531	-
Result for the financial year	-	-	-	9.969.856	9.969.856
Balance as 31 December 2023	<u>777.800</u>	<u>296.652</u>	<u>23.957.514</u>	<u>9.969.856</u>	<u>35.001.822</u>
Appropriation of result to retained earnings	-	-	9.969.856	-9.969.856	-
Result for the financial year	-	-	-	8.639.839	8.639.839
Balance as 31 December 2024	<u>777.800</u>	<u>296.652</u>	<u>33.927.370</u>	<u>8.639.839</u>	<u>43.641.661</u>

There were no dividends received by the Company in 2024. In 2024 there were no dividends distributed by the Company.

Issued and paid up share capital

The Company's authorized capital amounts up to EUR 1.134.450 (2023: EUR 1.134.450), and consists of 113.445 ordinary shares of EUR 10 each. Of these, 77.780 have been issued; the nominal value of the issued shares represents EUR 10.

Share premium reserve

The share premium concerns the income from the issuing of shares in so far as this exceeds the nominal value of the shares (above par income).

Result appropriation 2023

On 23rd September 2024, the General Meeting of Shareholders has approved the 2023 result appropriation. An amount of EUR 9.969.856 has been added to retained earnings.

Proposed result appropriation

The General Meeting of Shareholders will be asked to approve the following appropriation of the result of the year: a profit of EUR 8.639.931 to be added to Retained Earnings. The result after tax for 2024 is included under result for the financial year in shareholder's equity.

7 Provisions

A summary of the movements in provisions is given below:

	Environmental provision EUR	Provision for site restoration EUR	Total EUR
Balance as at 31 December 2023	266.580	3.085.563	3.352.142
Redclassification to financial fixed assets	-	-	-
Creation of the provision	-	-	-
Use of the provision	-	-90.582	-90.582
Release	-	-	-
Accretion	-	68.384	68.384
Movement of deferred tax	-	-	-
Book value as at 31 December 2024	<u>266.580</u>	<u>3.063.365</u>	<u>3.329.944</u>

The environmental provision relates to the amount expected for the environmental clean-up if one of the gas stations is closed or sold to a third party. Comparable with last year, the Company expects to incur approximately EUR 0 over the next year (2023: EUR 0). The provision is at nominal value.

The provision for site restoration relates to the estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. The amount of the provision is the best estimate of the expenditure necessary to settle this liability.

Accretion is recorded in interest and similar income in the P&L. Creation of the provision is recorded on the balance sheet as tangible fixed assets. These assets are depreciated on and recorded in depreciation and amortization on fixed assets in the P&L under. Use of the provision is not recorded in the P&L.

Approximately EUR 427.921 (2023: EUR 196.138) of the provision for site restoration is due within one year.

8 Non-current liabilities

	<u>31 December 2024</u> EUR	<u>31 December 2023</u> EUR
Lease liabilities	<u>20.002.268</u>	<u>19.617.170</u>
	<u>20.002.268</u>	<u>19.617.170</u>

For the lease liabilities we refer to note 12 of the notes to the balance sheet.

9 Current liabilities

	<u>31 December 2024</u>	<u>31 December 2023</u>
	EUR	EUR
Trade creditors	5.751.132	2.303.631
Lease liabilities	3.685.336	3.837.343
Liabilities to related parties	2.221.193	5.529.031
Taxes and social security contributions	21.392.975	24.753.749
Other liabilities and accrued expenses	9.477.730	5.456.756
	<u>42.528.366</u>	<u>41.880.510</u>

Current liabilities are all due within one year. The carrying values of the recognized current liabilities approximate their respective fair values, given the short maturities of the positions.

For the lease liabilities we refer to note 12 of the notes to the balance sheet.

Liabilities to related parties

	<u>31 December 2024</u>	<u>31 December 2023</u>
	EUR	EUR
Liabilities to shareholder	76.721	119.251
Liabilities to related parties	2.144.473	5.409.780
	<u>2.221.193</u>	<u>5.529.031</u>

Liabilities to shareholder and related parties are all due within one year. These liabilities are not interest bearing.

Taxes and social security contributions

	<u>31 December 2024</u>	<u>31 December 2023</u>
	EUR	EUR
Corporate income tax	366.298	1.695.964
Value added tax	12.358.620	13.781.640
Social security	70.764	67.424
Excise tax	8.597.293	9.208.721
	<u>21.392.975</u>	<u>24.753.749</u>

Taxes and social security premiums are all due within one year.

Other liabilities and accrued expenses

	<u>31 December 2024</u>	<u>31 December 2023</u>
	EUR	EUR
Premiums pensions	12.920	14.974
Invoices to be paid	9.291.510	5.271.179
Holiday allowance and holidays	173.300	170.603
	<u>9.477.730</u>	<u>5.456.756</u>

Other liabilities and accrued expenses are all due within one year.

10 Financial instruments

General

During the normal course of business, the Company uses various financial instrument that expose it to market, currency, interest, cash flow, credit and liquidity risks. To control these risks, the Company has instituted a policy including a code of conduct and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the financial performance of the Company.

The company does not apply derivatives and does not use hedge accounting.

Credit risk

Credit risk arises principally from the Company's loans, receivables and (cash) pools presented under financial fixed assets, trade and other receivables and cash and cash equivalents. It is the risk of being unable to collect receivables from a contracting party in time or at all. It depends on the creditworthiness of the counterparty (or its willingness to settle the debt) and the amount of accounts receivable.

The company didn't incur any significant bad debt case in 2024.

The credit risk relates to 4.439 customers for a total amount of EUR 11.291.688. The highest outstanding receivable with one customer is EUR 633.854. An amount of EUR 3.7 million is concentrated with the 20 biggest customers, which are all well-known and have proven to be reliable. Looking at the total customer base, it can be noted that the majority of counterparts have already a long-term relationship with the Company and have always in time satisfied their obligations to pay. Only 2.7 % of the outstanding receivable represent new customers with a relationship of 6 months or less.

The Company has a cash pool agreement with Litasco SA with a large receivable balance at year-end of EUR 11.1 million. As the cash pool facility is readily available, there is no credit risk assumed.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the business segment to which they belong. In the retail business, big part of the customers pays directly at the filling station. Fleet card customers pay later but mostly via direct debit, which is also the case for wholesale customers. Geographically, on the other hand, there is no concentration of credit risk.

The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. No credit insurance has been put in place, but a lot of effort is being made in order to evaluate the creditability of new/potential clients as well as existing clients. The Company's review includes external ratings, when available. Purchase limits are established for each customer. Based on daily monitoring alerts, the limits can be adjusted. And furthermore credit department is reviewing limits on the monthly basis, especially for new customers or customers with changed purchase behavior.

On daily operational basis, The Company controls its credit risk with a quick follow up on overdue receivables and a proactive blocking procedure. Clients are being rated both on the level of credit term as well as on credit amount. Excess of either of these, automatically results in credit blocks of the particular clients. In case customers fail to meet the credit policy requirements, the Company will ask for prepayments or a deposit.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, aging profile, maturity and existence of previous financial difficulties. Trade and other receivables relate mainly to the Company's wholesale –and fleet customers. Customers which are graded as 'high risk' are placed on a restricted customer list and monitored by the Credit Control department.

Interest rate risk and cash-flow risk

Financing of the Company's capital needs is done via its operational cash flows (working capital), leases and equity. The Company doesn't have any internal or external financing and doesn't have to be compliant with debt covenants.

The Company incurs an interest rate risk on interest bearing assets and liabilities. The Company incurs a fair value risk related to fixed interest lease liabilities under IFRS 16.

As mentioned before, the Company has a cash pool facility with Litasco SA. The average interest rate of this cash pool is 3.71% per annum. Overall, the increase of cash and cash equivalents indicates the positive cash flows of the Company.

Currency risk

The Company is not exposed to currency risk on sales, purchases and borrowings as all transactions are primarily denominated in Euro.

Price risk

Over the past years, fuel prices have been fluctuating quite considerably. However, the Company incurs only a price risk on inventory. This risk is considered relatively low, as the turnover rate of inventories is quite high.

Liquidity risk

The Company monitors its cash position by using successive liquidity budgets. The management ensures that the cash position is sufficient to meet the Company's operational and financial obligations towards creditors. The potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters are not taken into account.

The undiscounted contractual financial obligations and rights with a term of one year or less as of 31 December 2024 are:

	EUR
Lease obligations	4.923.998
Trade and other payables	38.843.030
Provision for site restoration	427.921
Total	<u>44.194.949</u>
Trade receivables	25.611.234
Cash and cash equivalents	43.954.707
Total	<u>69.565.941</u>
Net amount as of 31 December 2024	<u><u>-25.370.992</u></u>

Liquidity risk mitigating measures

The company doesn't have any internal or external financing. Potential working capital needs are covered by the cash pool agreement with Litasco SA, which shows a large receivable balance of EURO 11.1 million at the end of 2024. The funds are readily available. In 2024, liquidity ratio increased to 1.78 (2023: 1.49), as a result of positive free cash flows. Therefore, the liquidity risk is considered limited.

Furthermore, cash-flows are being closely monitored on a daily cash flow prognosis for the upcoming period of 10-20 days.

Regarding cash, risks are handled mainly on site, by providing thorough safes and cash depositing. The Company also notices that many customers are paying with fleet or bank card and tries to encourage this.

Fair value

The fair value of most of the financial instruments stated on the balance sheet, including financial fixed assets, receivables, cash and cash equivalents and current liabilities, is approximately equal to their carrying amount. Regarding the fair value of lease liabilities on the balance sheet, under IFRS 16, we refer to note 12 of these financial statements.

11 Off-balance sheet assets and liabilities

The company doesn't have any off balance assets or liabilities.

12 Leases

A. Leases as lessee

The Company leases a number of gas stations, sometimes with land, which typically run for a period of 5, 10 or 15 years, with or without an option to renew the lease after that date. Most of the leases are subject to a yearly indexation.

Furthermore, the Company leases vehicles with contract terms of five years.

Information about leases for which the Company is a lessee is presented below.

Right-of-use assets

	Land and buildings EUR	Vehicles EUR	Other EUR	Total EUR
Balance as at 31 December 2023	22.423.623	517.454	697	22.941.774
Additions	-	219.828	-	219.828
Modifications	3.726.733	-3.726	-	3.723.007
Depreciation	-3.959.971	-307.963	-697	-4.268.631
Balance as at 31 December 2024	22.190.384	425.593	0	22.615.977

The Right-of-use assets contains assets relating to the provision for site restoration.

Amounts recognized in profit or loss

	2024	2023
Interest in lease liabilities	1.345.310	1.343.423
Variable lease payments not included in the measurement of lease liabilities	273.034	194.694
Depreciations on right-of-use assets	4.268.631	4.380.996
Income from sub-leasing right-of-use assets	65.525	61.462
	5.952.500	5.980.575

Variable lease payments not included in the measurement of lease liabilities

The profit or loss account contains variable lease expenses that are not included in the measurement of lease liabilities. These expenses are mainly based on the volumes that are sold in the leased petrol stations. The company has estimated that the potential future variable lease payments would result in a variable lease expense of EUR 273 thousand.

Extension options

Some of the land and building leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Company has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of EUR 2.485 thousand.

Lease liabilities

	2024	2023
	EUR	EUR
Balance at the beginning of the year	23.454.513	25.616.771
New leases	219.828	170.679
Modification of current leases	3.813.750	1.463.936
Interest expense	1.345.310	1.343.423
Payment of lease liabilities	-5.145.785	-5.140.296
Balance at the end of the year	23.687.616	23.454.513
Non-current portion of lease liabilities	20.002.280	19.617.170
Current portion of lease liabilities	3.685.336	3.837.343
	23.687.616	23.454.513

The following table sets out a maturity analysis of the undiscounted lease payments regarding the lease obligations to be paid after the reporting date.

<i>Leases under IFRS 16</i>	2024	2023
Less than one year	4.923.998	5.155.548
One to five years	15.374.785	15.799.912
More than five years	8.925.291	8.597.888
	29.224.074	29.553.348

B. Leases as lessor**Operating lease**

The Company leases out (parts of) its buildings that are presented as part of a right-of-use asset.

Rental income recognized by the Company during 2024 was 66 thousand (2023: 61 thousand). The rental income includes an amount of 3 thousand relating to variable lease payments (2023: 4 thousand). The rental income is included in the net turnover.

Future minimum lease payments

The following table sets out a maturity analysis of the undiscounted lease payments to be received after the reporting date.

<i>Operating leases under IFRS 16</i>	2024	2023
Less than one year	62.128	57.440
One to five years	53.447	119.028
More than five years	7.906	11.814
	123.481	188.282

2.5 Notes to the profit and loss account

13 Net turnover

	2024	2023
	EUR	EUR
Petroleum products	305.387.152	326.175.294
Shop and lubricant products	8.001.797	8.770.854
Services, commissions	757.663	867.956
Services, rents	129.038	121.785
Services, carwash	2.124.984	1.902.730
	<u>316.400.634</u>	<u>337.838.619</u>

The net turnover of petroleum products contains EUR 112 mln of excise tax in 2024 (2023: EUR 110 mln)

The breakdown of net turnover by geographical is as follows:

	2024	2023
	EUR	EUR
The Netherlands	298.005.650	314.805.294
Germany	12.840.380	13.633.669
Belgium	5.554.604	9.399.656
	<u>316.400.634</u>	<u>337.838.619</u>

14 Cost of outsourced work and external costs

	2024	2023
	EUR	EUR
Other staff expenses	632.880	493.293
Housing expenses	2.392.538	2.602.903
Operating and machine expenses	16.165	17.516
Selling expenses	2.834.712	2.871.728
General expenses	1.875.561	1.770.052
Audit expenses	108.000	106.460
	<u>7.859.856</u>	<u>7.861.952</u>

15 Wages and salaries

	2024	2023
	EUR	EUR
Wages and salaries	2.104.560	2.000.622
Received benefits on sick pay	-31.813	-69.393
	<u>2.072.746</u>	<u>1.931.229</u>

Average number of employees

During the year 2024, the average number of staff employed by the Company, converted into full-time equivalents, amounted to 30 FTE (2023: 35 FTE), of which no employees were employed outside the Netherlands (2023: also nil). This staffing level (average number of staff) can be divided into the following staff categories:

	2024	2023
Purchasing	1	1
Sales	15	20
Transportation and distribution	8	8
Administration	5	5
Other	1	1
	<u>30</u>	<u>35</u>

Remuneration Board of Directors

The emoluments as referred to in Section 2:383(1) of the Netherlands Civil Code, charged in the financial year to the Company amounted to EUR 31.872 (2023: EUR 30.938) for the Board of Directors.

16 Social security and pension charges

	2024	2023
	EUR	EUR
Social security charges	327.921	346.965
Pension costs	<u>121.708</u>	<u>125.529</u>
	<u>449.628</u>	<u>472.494</u>

17 Amortization and depreciation on intangible and tangible fixed assets

	2024	2023
	EUR	EUR
Depreciation of right-of-use assets	4.268.491	4.380.996
Depreciation of tangible fixed assets	<u>1.799.578</u>	<u>2.088.360</u>
	<u>6.068.069</u>	<u>6.469.356</u>

18 Interests and similar income

	2024	2023
	EUR	EUR
Interest income	158.847	107.503
Interest income from cash pooling agreement	414.280	286.014
	<u>573.126</u>	<u>393.517</u>

19 Interests and similar expenditure

	2024	2023
	EUR	EUR
Interest expenses from lease liabilities	1.345.310	1.343.423
Interest expenses	-	-
Interest expenses from accretion of provisions	68.384	68.242
	<u>1.413.694</u>	<u>1.411.665</u>

20 Tax on result

	2024	2023
	EUR	EUR
Corporate income tax	-3.161.576	-3.649.325
Movement of deferred tax liability	173.331	198.454
	<u>-2.988.245</u>	<u>-3.450.871</u>

The effective tax rate of 2024 is 25.7 % compared to a nominal rate of 25.8 %. In 2023 the effective tax rate was 25,7 %.

The reconciliation between the applicable and the effective tax rate is as follows:

	2024	2023
	EUR	EUR
Result before tax	11.628.089	13.420.728
Income tax using the applicable tax rate in the Netherlands:	2.986.452	3.448.948
Tax effect of:		
- Permanent differences	1.792	1.923
- Tax rate change effect	-	-
Corporate income tax expenses	<u>2.988.245</u>	<u>3.450.871</u>

The amount of corporate income tax (CIT) reported in the financial statements is the best estimation to date of these financial statements. The statutory deadline for filing CIT related to accounting year 2024 is end of April 2026. The reporting currency for the income tax is Euro.

The company does not participate in consolidated tax payers group or fiscal unit for corporate income tax purposes.

21 Transactions with related parties

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, amongst others, the relationship between the company and its subsidiaries, shareholders, directors and key management personnel. Transactions are transfers of resources, services or obligations, regardless whether anything has been charged.

There have been no transactions with related parties that were not on a commercial basis.

22 Auditor's fees

The following fees were charged by AREP Accountants & Belastingadviseurs B.V. to the Company, as referred to in Section 2:382a (1) and (2) of the Dutch Civil Code.

	2024 EUR	2023 EUR
Audit of the financial statements	113.500	105.000
Other audit engagements	-	-
Other non-audit services	2.500	2.000
	<u>116.000</u>	<u>107.000</u>

23 Subsequent events

On 24 February 2022, Russia decided to invade the Ukraine, beyond the Donbas region. Subsequently, the international community imposed extensive sanctions, including on Russian sovereign and corporate debt; cutting certain Russian and Belarus banks off from access to SWIFT; sanctioning the Central Bank of Russia; and a trade embargo, including on Russian oil and gas exports. These sanctions are currently still effective.

PJSC LUKOIL, is an independent, international, non-state energy company. As a 100% listed company, it is fully owned by private shareholders from all over the world, including Europe and the United States. Today, neither LUKOIL nor any members of its management are on the European sanction list. Accordingly LUKOIL Netherlands B.V., being a subsidiary of PJSC LUKOIL, is not directly impacted by the above mentioned sanctions.

In February 2023 the European Union imposed an embargo on refined Russian oil. LUKOIL Netherlands B.V. mainly purchases its products on the ARA-market (Amsterdam, Rotterdam and Antwerp) and from the Zeeland refinery, which are fully compliant with the imposed European embargo. Therefore all products sold on the market are of non-Russian origin. As we are a European company with an international supply chain, we do not expect that our operational activities will be impacted by the embargo.

As per date of these financial statements, there are no indications that the Ukraine conflict, nor any related events, could affect our going concern assumption.

Maastricht, 26 August 2025

Ivo Hoskens

Fabrice Vanhoucke

3. Other information

3.1 Provision in the articles in association governing the appropriation of result

Under article 21 of the company's Articles of Association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate said profit either wholly or partly to the formation of - or addition to - one or more general or special reserve funds.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as the shareholder's equity exceeds the paid-up and called-up part of the capital plus the statutory reserves and exceeds the amounts resulting from the distribution test, performed by management at the date of each dividend payment.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as (1) the Company can continue to meet its payment obligations after the distribution (to so called distribution test) and (2) shareholder's equity exceeds the statutory reserves required by the articles of association (the so-called balance sheet test). Should that not be the case, the Board of Directors may not approve the distribution.

3.2 Auditor's report

We refer to the next page.



Accountants en Belastingadviseurs B.V.

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INDEPENDENT AUDITOR'S REPORT

Report on the audit of the accompanying financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements 2024 of LUKOIL Netherlands B.V. based in Maastricht.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of LUKOIL Netherlands B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2024;
2. the profit and loss account for 2024; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of LUKOIL Netherlands B.V. in accordance with the Wet toezicht Accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.



Audit approach fraud risks

We have identified and assessed risks of material misstatement of the financial statements due to fraud. During our audit, we obtained an understanding of the entity and its environment, the components of the internal control system, including the risk assessment process and the way in which management responds to fraud risks and monitors the internal control system. We have reviewed the design and relevant aspects of the internal control system and in particular the fraud risk analysis. We have evaluated the design and existence, and insofar as we deem necessary, tested the effectiveness of internal control measures aimed at mitigating fraud risks. As part of our process for identifying risks of material misstatement of financial statements due to fraud, we considered fraud risk factors related to fraudulent financial reporting, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicated the presence of the risk of material misstatement due to fraud.

Fraud risk due to management override of internal controls.

The evaluation of fraud risks due to management override is a mandatory subject in our laws and regulations.

Work performed

The mentioned fraud risk is an assumed risk.

- Determining the design and existence of the internal controls with regard to the processing of manual journal entries.
- Testing whether the manual journal entries recorded in the general ledger that were made during the preparation of the financial statements are acceptable.
- Reviewing the estimates for trends and assessing whether the circumstances, if any, that led to the trend pose a risk of material misstatement due to fraud. The most significant estimates in the financial statements are included in the notes to the financial statements in the estimates section.

Observation

Our work did not lead to specific indications of fraud or suspicions of fraud with regard to the breach of internal control by The Board of Directors.

Fraud risk due to fraudulent reporting and due to incompleteness of the revenue recognition.

The evaluation of fraud within revenue recognition is also a mandatory subject in our laws and regulations. Based on the evaluation of the business exploration and the initial organizational assessment, we have recognized the tendency to report revenues lower than they actually are.

Work performed

- We have evaluated the design and existence of internal controls over fuel sales.
- We have audited the movement of goods. In addition, we requested and received external sales- and purchase confirmations and also performed partial observations on the price component.
- We performed a cashproof reconciliation to determine the completeness and performed analytical procedures. We also paid attention to the period cut-off.

Observation

Our work did not lead to specific indications of fraud or suspicions of fraud with regard to the completeness of the revenue recognition.



Audit approach going concern

The Board of Directors has prepared the annual accounts on the basis of the going concern assumption of all activities for a period of 12 months from the date of preparation of the annual accounts. Our work to review The Board of Directors going concern assumption includes, among others:

- consider whether The Board of Directors going concern assumption contains all relevant information of which we have knowledge as a result of our audit by evaluating the audited figures where risks of discontinuity may arise and questioning The Board of Directors about key assumptions and assumptions.
- determine whether The Board of Directors has identified events or circumstances that may cast significant doubt on the entity's ability to continue as a going concern (hereinafter: going concern risks);
- evaluate the budgeted operating results and related cash flows for the period of 12 months from the date of preparation of the annual accounts, taking into account developments in the sector and our knowledge from the audit;
- analyse whether the current and required funding for the continuation of the entire business activities are guaranteed;
- inquire with The Board of Directors about its knowledge of going concern risks after the period of the continuity assessment performed by the board.

Our work shows that the going concern assumption used by The Board of Directors is acceptable and no going concern risks have been identified.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the Report of The Board of Directors and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the Report of The Board of Directors in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of The Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, The Board of



Directors is responsible for such internal control as The Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, The Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless The Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Board of Directors is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Directors;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's



report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Nieuwegein, 26 August 2025

Arep Accountants & Belastingadviseurs B.V.

WAS SIGNED

mr. A.H. van Engelen RA

NAV2025-39