

AD-HOC ANNOUNCEMENT

Q1 2022 results for Petro Welt Technologies AG: The Group closed Q1 2022 with a positive EBIT of EUR 1.1 million

- Rising job numbers in all business segments
- Group revenue increased by 37.9% to EUR 62.4 million
- Multiple growth in gross profit to EUR 7.4 million (Q1 2021: EUR 1.5 million)
- EBITDA margin rose to 12.7% (Q1 2021: 7.5%)
- Financial stability ensured despite uncertain times

Vienna, May 27, 2022

In 2022, the ongoing political tensions in the Eastern European region intensified as a result of the situation in Ukraine, which negatively affected the commodity and financial markets and increased volatility, especially in the case of exchange rates. The RUB/EUR exchange rate as of the reporting date March 31, 2022, jumped by 11.4% to RUB 93.7 per euro, compared to December 31, 2021. Likewise, compared to Q1 2021, the average exchange rate for Q1 2022 increased by 7.5%.

Revenue increased by 37.9% to EUR 62.4 million in the reporting period from EUR 45.2 million in the first three months of 2021. This was made possible by the recovery of the global economy and the Russian economy following the COVID-19-related recession, the gradual lifting of the OPEC+ restrictions and more successful contracting by the Group itself. Converted into RUB, the Group's main operating currency, revenue grew by 48.4%.

The Well Stimulation segment showed a particularly positive development in the reporting period. The number of jobs performed in Q1 2022 increased by 54.8% to 1,187 (Q1 2021: 767). As a result, revenue for the Well Stimulation segment increased by 61.3% to EUR 29.2 million (Q1 2021: EUR 18.1 million). Due to the positive market environment, the management was also able to improve performance in the Drilling, Sidetracking, and IPM segment. Revenue in this segment increased by 22.9% to EUR 31.1 million, driven by a 75.0% growth in the number of jobs to 84 (Q1 2021: 48 jobs).

Growth in operating expenses was slower than revenue growth due to factors such as economies of scale and ongoing cost control. This led to a multiple growth in gross profit, which reached EUR 7.4 million in the reporting period (Q1 2021: EUR 1.5 million). Accordingly, the gross profit margin rose to 11.9% (Q1 2021: 3.3%).

Due to higher consulting fees related to the ongoing political and economic tensions, the Group recorded a 25.7% increase in administrative expenses.

On balance, the Group closed Q1 2022 with a positive EBIT of EUR 1.1 million (Q1 2021: EUR –3.3 million).

Given the high degree of uncertainty regarding the development of macroeconomic factors and political risks as well as their potential impact on the Russian economy and the Group's performance, the management has identified indications of impairment related to the Group's operating companies in Russia. Therefore, the Group performed a preliminary calculation of a potential impairment loss based on substantial inflation, an increase of the

key interest rate in Russia, uncertainty regarding the development of the Russian ruble, and a continuation of import substitution. As of March 31, 2022, no impairment loss was charged.

Taking into account available measures, existing financial resources, and the Group's ability to generate positive cash flows from operating activities, the management considers that the Company has sufficient financial stability to continue its operational activity for at least the next twelve months from the reporting date, even if the economic environment were to deteriorate significantly. Accordingly, the management has concluded that there is no material uncertainty regarding the Group's ability to continue as a going concern.

The Q1 2021 Report of Petro Welt Technologies AG is available for download on our website at www.pewete.com.

Key positions		Q1 2022	Q1 2021	+/- %
Revenue	EUR million	62.4	45.2	37.9%
EBITDA	EUR million	7.9	3.4	135.1%
EBIT	EUR million	1.1	(3.3)	133.9%
EBITDA margin		12.7%	7.5%	–
EBIT margin		1.8%	(7.4%)	–
Equity ¹	EUR million	182.0	206.0	(11.7%)

¹ As of March 31, 2022, and December 31, 2021, respectively

About Petro Welt Technologies AG

Petro Welt Technologies AG, a company domiciled in Vienna, Austria, is one of the leading and oldest oilfield services (OFS) companies in Russia and the CIS specializing in services that increase the productivity of both new and existing oil & gas formations.

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