PRESS RELEASE
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LUKOIL REPORTS PRELIMINARY OPERATING DATA FOR THE FIRST QUARTER OF 2021

In the first quarter of 2021 LUKOIL Group's average hydrocarbon production excluding the West Qurna-2 project was 2,152 thousand boe per day, which is 4.2% higher quarter-on-quarter. The growth was attributable to the dynamics of the external limitations on oil production due to the OPEC+ agreement, as well as to the recovery of gas production in Uzbekistan. Hydrocarbon production was 7.6% lower year-on-year due to the OPEC+ agreement.

Hydrocarbon production, thousand boe per day

1Q 2021	4Q 2020		1Q 2021	1Q 2020
2,152	**2,065**	**Total (excluding the West Qurna-2 project)**	**2,152**	**2,328**

Oil production excluding the West Qurna-2 project was 18.8 million tonnes in the first quarter of 2021, which is 2.4% higher quarter-on-quarter and 11.2% lower year-on-year in average daily terms. Oil production dynamics was driven by the OPEC+ agreement concluded in April 2020, which led to limitations on oil production by the Group in Russia and at certain international projects. Due to the agreement, oil production by the Group in Russia was cut in May 2020 by approximately 310 thousand barrels per day, or by 19%, as compared to the level of the first quarter of 2020, and has been gradually recovering subsequently. As a result, in the first quarter of 2021 oil production by the Group in Russia was approximately 130 thousand barrels per day higher compared to May 2020 level.

Oil production, thousand tonnes

1Q 2021	4Q 2020		1Q 2021	1Q 2020
18,780	**18,755**	**Total (excluding the West Qurna-2 project)**	**18,780**	**21,384**
17,887	17,801	Russia	17,887	20,365
17,746	17,663	Subsidiaries	17,746	20,227
141	138	Share in affiliates	141	138

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893	954	Outside of Russia	893	1,019
560	605	Subsidiaries	560	588
333	349	Share in affiliates	333	431
609	463	*Share in the West Qurna-2 project*	609	721
19,389	**19,218**	**Total**	**19,389**	**22,105**

Despite external limitations on production volumes, development of the priority projects continued. In particular, in West Siberia total oil and gas condensate production in the first quarter of 2021 at the V. Vinogradov, Imilorskoye, Sredne-Nazymskoye and Pyakyakhinskoye fields increased by 8.3% year-on-year, to 1.1 million tonnes.

High viscosity oil production at the Yaregskoye field and Permian reservoir of the Usinskoye field in the first quarter of 2021 increased by 4.3% year-on-year, to 1.3 million tonnes.

Implementation of drilling programs at the V. Filanovsky and Yu. Korchagin fields in the Caspian Sea allowed to increase total oil and gas condensate production in the first quarter of 2021 by 1.6% year-on-year, to 1.9 million tonnes. The V.I. Grayfer field development continues: subsea pipelines and cable lines are being laid, shipyards are constructing topsides of the platforms.

The share of the abovementioned projects in the LUKOIL Group's oil production excluding the West Qurna-2 project amounted to 23% in the first quarter of 2021 as compared to 19% in the first quarter of 2020.

Gas production, million cubic meters

1Q 2021	4Q 2020		1Q 2021	1Q 2020
8,789	**8,225**	**Total**	**8,789**	**8,412**
4,263	4,309	Russia	4,263	4,665
4,222	4,269	Subsidiaries	4,222	4,643
41	40	Share in affiliates	41	22
4,526	3,916	Outside of Russia	4,526	3,747
4,381	3,759	Subsidiaries	4,381	3,581
145	157	Share in affiliates	145	166

In the first quarter of 2021, gas production increased in average daily terms by 9.2% quarter-on-quarter and by 5.6% year-on-year, to 8.8 billion cubic meters.

In Russia gas production increased in average daily terms by 1.1% quarter-on-quarter and decreased by 7.6% year-on-year, to 4.3 billion cubic meters. Dynamics of gas production in Russia was driven by the change in associated petroleum gas production due to the external limitations on oil production.

Outside Russia gas production increased in average daily terms by 18.1% quarter-on-quarter and by 22.1% year-on-year, to 4.5 billion cubic meters. The growth was driven by recovery of gas production in Uzbekistan after temporary decline in 2020 due to lower demand from China for gas produced in Uzbekistan amid the COVID-19 pandemic.

Refinery throughput, thousand tonnes

1Q 2021	4Q 2020		1Q 2021	1Q 2020
14,444	**13,145**	**Total for LUKOIL Group refineries**	**14,444**	**17,090**
10,026	9,682	Russia	10,026	10,937
4,418	3,463	Outside of Russia	4,418	6,153
3,788	3,085	Oil processing	3,788	5,590
630	378	Refined products processing	630	563
0	28	Third party refineries abroad	0	53

In the first quarter of 2021 refinery throughput at LUKOIL Group's refineries was 14.4 million tonnes, which is 9.9% higher quarter-on-quarter, and 15.5% lower year-on-year. The dynamics of refinery throughput volumes was attributable to scheduled maintenance works and throughput optimization at some of the refineries driven by the changes in macro environment.

Refinery throughput in Russia in the first quarter of 2021 increased by 3.6% quarter-on-quarter, to 10.0 million tonnes due to scheduled maintenance works in the fourth quarter of 2020. Refinery throughput in Europe in the first quarter of 2021 increased by 27.6% quarter-on-quarter to 4.4 million tonnes mainly due to scheduled maintenance works and throughput optimization at refineries in Italy and Bulgaria in the fourth quarter of 2020.

Information:
Note:

LUKOIL will release its Condensed Interim Consolidated Financial Statements prepared in accordance with IFRS and MD&A for the first quarter of 2021 on May 26, 2021.

The information in this press release is an estimate of the LUKOIL Group's results for the first quarter of 2021 and therefore constitutes forward-looking statements. This information is preliminary and based on information available at the date of this document, and may be revised after statistical, financial, tax and accounting statements become available. The information on the LUKOIL Group's operational results in this press release are subject to many external factors which may cause the actual results to differ materially from those expressed or forecasted in this press release for the first quarter of 2021. The LUKOIL Group assumes no obligation to update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise, except to the extent required by applicable law.

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Information about the Company:
PJSC "LUKOIL" is one of the largest publicly traded, vertically integrated oil and gas companies in the world in terms of proved hydrocarbon reserves and production; and the second largest producer of crude oil in Russia. Established in 1991, the Company currently operates in more than 30 countries with core upstream assets located in Russia. The full production cycle includes oil and gas exploration, production and refining; production of petrochemicals and lubricants; power generation; marketing and distribution. The Company's shares are listed in Russia on Moscow Exchange under the ticker "LKOH" and depositary receipts are listed on the London Stock Exchange under the ticker "LKOD".