PRESS RELEASE
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LUKOIL REPORTS PRELIMINARY OPERATING DATA FOR THE SECOND QUARTER AND SIX MONTHS OF 2021

For the six months of 2021 LUKOIL Group's average hydrocarbon production excluding the West Qurna-2 project was 2,109 thousand boe per day, which is 2.1% lower year-on-year, while in the second quarter of 2021 hydrocarbon production increased by 4.2% year-on-year. The production dynamics was attributable to the dynamics of the external limitations on oil production due to the OPEC+ agreement. Hydrocarbon production was 4.0% lower quarter-on-quarter due to the dynamics of gas production in Uzbekistan.

Hydrocarbon production, thousand boe per day

2Q 2021	1Q 2021		6M 2021	6M 2020
2,065	2,152	Total (excluding the West Qurna-2 project)	2,109	2,155

For the six months of 2021 oil production excluding the West Qurna-2 project was 38.2 million tonnes, which is 4.3% lower year-on-year in average daily terms, while in the second quarter of 2021 oil production was 19.5 million tonnes, which is 2.5% higher quarter-on-quarter 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 second quarter of 2021 oil production by the Group in Russia was approximately 170 thousand barrels per day higher compared to May 2020 level.

Oil production, thousand tonnes

2Q 2021	1Q 2021		6M 2021	6M 2020

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19,468	**18,780**	**Total (excluding the West Qurna-2 project)**	**38,248**	**40,201**
18,622	17,887	Russia	36,509	38,242
18,484	17,746	Subsidiaries	36,230	37,985
138	141	Share in affiliates	279	257
846	893	Outside of Russia	1,739	1,959
501	561	Subsidiaries	1,062	1,155
345	332	Share in affiliates	677	804
460	609	Share in the West Qurna-2 project	1,069	1,815
19,928	**19,389**	**Total**	**39,317**	**42,016**

Despite external limitations on production volumes, development of the priority projects continued. In particular, in West Siberia total oil and gas condensate production for the six months of 2021 at the V. Vinogradov, Imilorskoye, Sredne-Nazymskoye and Pyakyakhinskoye fields increased by 7.3% year-on-year, to 2.2 million tonnes.

High viscosity oil production at the Yaregskoye field and Permian reservoir of the Usinskoye field for the six months of 2021 increased by 5.1% year-on-year, to 2.6 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 for the six months of 2021 by 1.7% year-on-year, to 3.7 million tonnes. The V. Grayfer field development continues: subsea pipelines and cable lines are being laid, shipyards are constructing topsides of the platforms.

Gas production, million cubic meters

2Q 2021	1Q 2021		6M 2021	6M 2020
7,062	**8,789**	**Total**	**15,851**	**14,811**
3,980	4,263	Russia	8,243	8,970
3,944	4,222	Subsidiaries	8,166	8,927
36	41	Share in affiliates	77	43
3,082	4,526	Outside of Russia	7,608	5,841

2,929	4,381	Subsidiaries	7,310	5,517
153	145	Share in affiliates	298	324

For the six months of 2021, gas production increased in average daily terms by 7.6% year-on-year, to 15.9 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.

In the second quarter of 2021, gas production decreased in average daily terms by 20.5% quarter-on-quarter, to 7.1 billion cubic meters. The decrease was mainly attributable to scheduled maintenance works at the projects in Uzbekistan.

Refinery throughput, thousand tonnes

2Q 2021	**1Q 2021**		**6M 2021**	**6M 2020**
15,738	**14,444**	**Total for LUKOIL Group refineries**	**30,182**	**30,615**
10,400	10,026	Russia	20,426	20,220
5,338	4,418	Outside of Russia	9,756	10,395
4,924	3,788	Oil processing	8,712	9,588
414	630	Refined products processing	1,044	807
1	0	Third party refineries abroad	1	77

For the six months of 2021 refinery throughput at LUKOIL Group's refineries was 30.2 million tonnes, which is 0.9% lower year-on-year in average daily terms.

In the second quarter of 2021 refinery throughput was 15.7 million tonnes, which is 9.0% higher quarter-on-quarter and 16.3% higher year-on-year. The increase in refinery throughput volumes both in and outside Russia was attributable to the recovery of refineries utilization rates after scheduled maintenance works, as well as throughput optimization at some of the refineries driven by the changes in macro environment.

Note:

LUKOIL will release its Condensed Interim Consolidated Financial Statements prepared in accordance with IFRS and MD&A for the second quarter and six

months of 2021 on August 27, 2021.

The information in this press release is an estimate of the LUKOIL Group's results for the second quarter and six months 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 second quarter and six months 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".