PRESS RELEASE
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LUKOIL REPORTS PRELIMINARY OPERATING DATA FOR THE FOURTH QUARTER AND TWELVE MONTHS OF 2021

In 2021 LUKOIL Group's hydrocarbon production excluding the West Qurna-2 project was 2,161 thousand boe per day, which is 4.7% higher year-on-year, while in the fourth quarter of 2021 hydrocarbon production increased by 7.6% quarter-on-quarter. The production growth was attributable to the dynamics of the external limitations on oil production due to the OPEC+ agreement, as well as higher gas production volumes.

Hydrocarbon production, thousand boe per day

4Q 2021	3Q 2021		12M 2021	12M 2020
2,295	**2,132**	**Total (excluding the West Qurna-2 project)**	**2,161**	**2,064**

In 2021 oil production excluding the West Qurna-2 project was 79.3 million tonnes, which is 3.0% higher year-on-year in average daily terms, while in the fourth quarter of 2021 oil production increased by 5.3% quarter-on-quarter and amounted to 21.1 million tonnes. 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 fourth quarter of 2021 oil production by the Group in Russia was approximately 270 thousand barrels per day higher compared to May 2020 level.

Oil production, thousand tonnes

4Q 2021	3Q 2021		12M 2021	12M 2020
21,062	**20,003**	**Total (excluding the West Qurna-2 project)**	**79,313**	**77,206**
20,120	19,304	Russia	75,933	73,459
20,000	19,200	Subsidiaries	75,430	72,940

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120	104	Share in affiliates	503	519
942	699	Outside of Russia	3,380	3,747
560	430	Subsidiaries	2,052	2,256
382	269	Share in affiliates	1,328	1,491
488	271	Share in the West Qurna-2 project	1,828	2,843
21,550	**20,274**	**Total**	**81,141**	**80,049**

Despite the external limitations on crude oil production volumes, development of the priority projects continued. In particular, in West Siberia total oil and gas condensate production in 2021 at the V. Vinogradov, Imilorskoye, Sredne-Nazymskoye and Pyakyakhinskoye fields increased by 8.1% year-on-year, to 4.5 million tonnes.

Gas production, million cubic meters

4Q 2021	3Q 2021		12M 2021	12M 2020
8,642	**7,666**	**Total**	**32,159**	**29,005**
3,976	3,886	Russia	16,105	17,578
3,946	3,858	Subsidiaries	15,970	17,463
30	28	Share in affiliates	135	115
4,666	3,780	Outside of Russia	16,054	11,427
4,489	3,657	Subsidiaries	15,456	10,808
177	123	Share in affiliates	598	619

In 2021, gas production increased in average daily terms by 11.2% year-on-year to 32.2 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 fourth quarter of 2021, gas production increased by 12.7% quarter-on-quarter and amounted to 8.6 billion cubic meters. The increase was mainly attributable to seasonal growth of demand for gas, as well as higher associated petroleum gas production following an increase in oil production.

Refinery throughput, thousand tonnes

4Q 2021	3Q 2021		12M 2021	12M 2020
15,478	**17,299**	**Total for LUKOIL Group refineries**	**62,959**	**58,608**
10,920	11,270	Russia	42,616	40,109
4,558	6,029	Outside of Russia	20,343	18,499
4,223	5,396	Oil processing	18,331	16,888
335	633	Refined products processing	2,012	1,611
3	2	Third party refineries abroad	6	146

In 2021, refinery throughput at LUKOIL Group's refineries was 63.0 million tonnes, which is 7.4% higher year-on-year. The increase in refinery throughput volumes both in and outside Russia was attributable to higher refineries utilization rates due to better market environment in 2021, as well as scheduled maintenance works in 2020. In the fourth quarter of 2021 refinery throughput was 15.5 million tonnes, which is 10.5% lower quarter-on-quarter due to scheduled maintenance works at the refineries outside Russia, as well as seasonal throughput optimization in Russia.

Information:
Note:
LUKOIL will release its Audited Consolidated Financial Statements prepared in accordance with IFRS and MD&A for the fourth quarter and twelve months of 2021 on March 10, 2022.

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