



**RUSNEFTEGAZ**  
**Q2 2022**  
**QUARTERLY**  
**PRESENTATION**



# RUSNEFTEGAZ Q2 2022 OPERATING RESULTS

Rusneftegaz can publish results for the second quarter of the year as of and for the six months ended 30 June. These statements were prepared in accordance with International Financial Reporting Standards, otherwise known as IFRS, and have not been audited.

The highlights of this period include:

 Revenue has grown 6,0% from the first quarter of 2022.

 Pre-tax profits declined 7,5% from the three months prior.

 Operating cash flow receded 7,4% from the first period of the year.

 The value of all liabilities decreased by 3,9% from the previous quarter.

 Oil production dropped 2,0% from the prior period.

 Average daily petroleum extraction fell 3,1% from the preceding three months.

 The total volume of electricity generated surged by 14,9% from the last quarter.

Income		Q2 2022	Q1 2022	Q2 2021
Revenue	(m)	196.119	185.096	153.042
Cost of sales	(m)	(98.513)	(87.030)	(82.344)
Gross profit	(m)	97.606	98.066	70.698
Other income	(m)	3	95	60
Other expenses	(m)	(34.081)	(29.460)	(22.966)
Operating profit	(m)	63.528	68.701	47.792
Net finance income	(m)	223	218	203
Net profit	(m)	63.751	68.919	47.995
Tax expense	(m)	(16.970)	(18.256)	(12.471)
Net profit for the period after tax	(m)	46.781	50.663	35.524
Retained earnings	(m)	2.139.323	2.092.542	1.959.755
Total liabilities	(m)	91.348	95.017	107.438

Cash flows		Q2 2022	Q1 2022	Q2 2021
Cash flow from operating activities	(m)	86.376	93.315	64.947
Cash flow from financing activities	(m)	—	—	(417)
Cash flow from investing activities	(m)	(159.370)	(17.498)	(12.178)

Operations		Q2 2022	Q1 2022	Q2 2021
Average daily oil production	(bpd)	16.429	16.958	15.039
Peak daily oil production	(bpd)	17.104	17.625	15.629
Total oil production	(barrels)	1.495.039	1.526.220	1.368.549
Total electricity production	(TWh)	2,31	2,01	2,04
Total installed capacity	(MW)	1.860	1.860	1.860
Installed capacity utilization	(%)	56,87	50,03	50,22

Per share statistics		Q2 2022	Q1 2022	Q2 2021
Revenue per share	(\$)	153	130	153
Earnings per share - basic	(\$)	36	31	36
Earnings per share - diluted	(\$)	36	31	36
Cash flow per share*	(\$)	65	56	65
Issued ordinary shares		1.000	1.000	1.000

\*From operating activities only

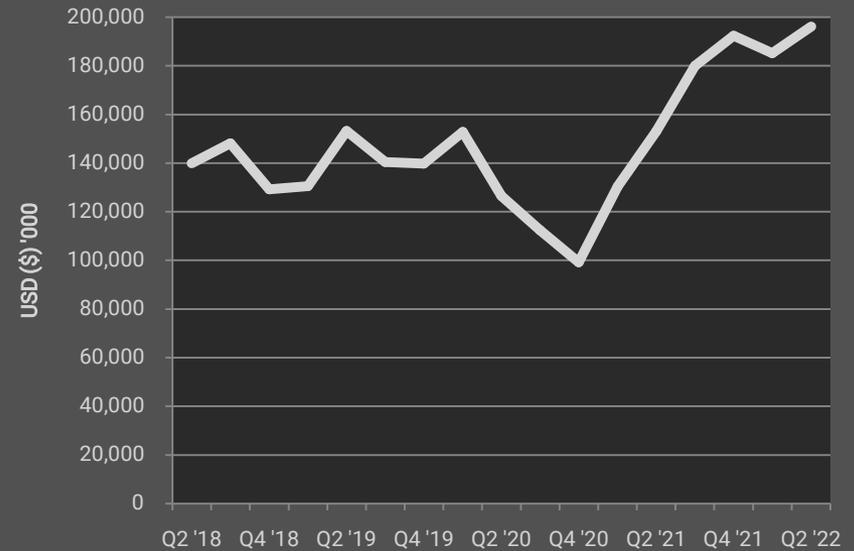
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For the second period of 2022, Rusneftegaz can announce that it has set a new company record for quarterly revenues totaling \$196,1 million, in addition to a robust pre-tax profit of \$63,8 million. Despite the fact the latter figure represents a minor recession of 7,5% from the previous three months when \$68,9 million was earned, the profit for the second quarter is a marked 32,8% improvement year-on-year, when our financial performance was continuing to be affected by the coronavirus pandemic and a more nominal \$48,0 million was amassed. On the other hand, our turnover was not only 28,1% higher than in the same timeframe as twelve months ago when \$153,0 million was reported, but it has also expanded 6,0% from the \$185,1 million disclosed for the opening quarter of 2022. Such lasting success is ultimately attributable to numerous factors, with the primary determinant being the end of the recent health crisis, meaning our organization can now finally realize the benefits of the investments made over the past decade. This spending has yielded production conducted with greater efficiency through the utilization of modern equipment, contemporary best practice and renovated units. Whilst it was clear internally to managers and engineers, our economic data from the past two years was considerably weighted by the costs of managing a pandemic, including having to purchase expensive screening and protection apparatus, and deploying policies in the best interests of employee health, rather than the technical and financial progress of Rusneftegaz. As a result, our board of directors announced in February that our five-year investment program had been revised and the new plan was due to be executed from the start of the second quarter. Consequently, our organization spent \$159,4 million on new assets between April and June of this year, with management aiming to recover the days that have occurred since the advent of the decade. Thus, notwithstanding the fact that this total will in all likelihood be the largest quarterly expenditure of the year, the monies invested in the remaining quarters of 2022 are set to be comparably as large and significant. Moreover, at the end of March expenditure on new properties amounted to \$17,5 million for the year to date, but it was also the time Rusneftegaz published a strategy to end remaining virus mitigation measures. Therefore, in May our organization managed to return all our administrative personnel to their respective offices and workstations full-time, having fully abolished remote working practices in conjunction with the removal of all distancing measures. This increased output is also exemplified in our production data for the second quarter, with 1,50 million barrels of crude being extracted, with electricity generation amounting to a further 2,31 TWh. Whilst the latter figure embodies a rise of 14,9% rise from the first period of 2022 when 2,01 TWh was created, it is also a 13,2% growth year-on-year on the previous total of 2,04 TWh. The rebound from the coronavirus pandemic is likewise demonstrated in the oil production figures, with the total exceeding the 1,37 million barrels extracted in the same period in 2021, although it is a minor 7,5% recession on the 1,53 million barrel yield three months ago.

Quarterly revenue — Q2 2018 to present



Revenue has expanded 28,1% from the second period in 2021.



Pre-tax profits have grown 32,8% year-on-year.



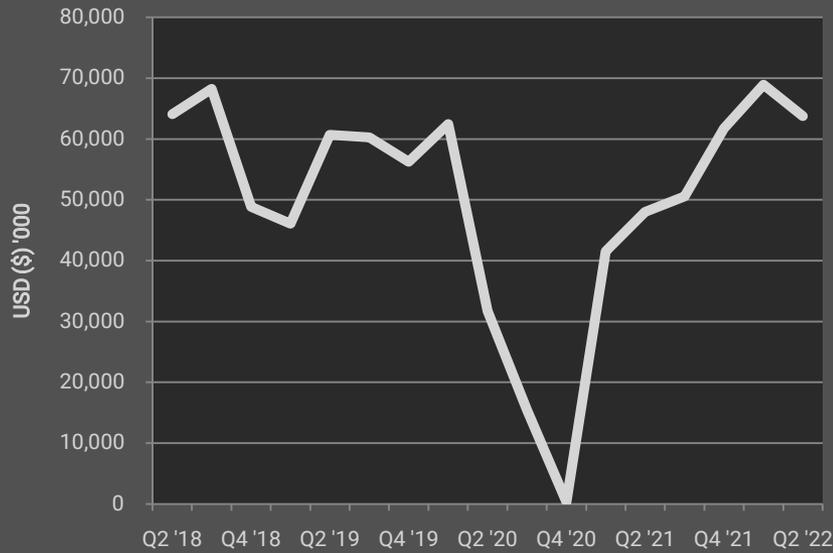
Operating cash flow escalated 33,0% on the same quarter this time last year.

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# RUSNEFTEGAZ Q2 2022 OPERATING RESULTS

Quarterly pre-tax profit – Q2 2018 to present



Oil production is 9,2% higher than the same quarter twelve months ago.



The average daily petroleum extraction for the period is up 9,2% year-on-year.



Electricity generation has expanded 13,2% from the second quarter of 2021.

However, despite the fact these updates are fundamentally positive for our company, there continues to be matters of serious concern that may have a lasting impact on our business. The imposition of restrictions on Russian crude and refined products by the European Union, to take place incrementally from the end of this year, severely undermines our expansion plans for the months and years ahead. Nevertheless, our management has had adequate time to prepare for such an embargo, and has now developed a comprehensive plan to mitigate the effects of the punitive measures to be enforced. This includes variegating our sources of petroleum supply for our international trading operation, and focusing on developing our presence in new and emerging markets, such as East and South-East Asia. Management is also particularly interested in doing business in the Indian subcontinent, where numerous opportunities have emerged for Russian oil companies in recent times. In addition to this newly revised plan, which is now ready to be implemented, the broader economic conditions are generally in our favor. Commodities prices continue to be high, and are forecasted to remain in excess of pre-pandemic values for the foreseeable future, or until those nations who have disavowed Russian petroleum are capable of adequately replacing the easily accessible supplies of refined products elsewhere. Likewise, our functional currency has now recovered from the historic lows reported earlier this year, with the Russian ruble now strengthening against the legal tender of other countries at a record rate. However, our board of directors believes it is currently too difficult to competently project how the currency will fare in the weeks and months ahead, due to the ongoing volatility in the market. This has been exacerbated by an ever-deteriorating geopolitical situation, which is not showing any signs of abating in the short term. It is the intransigent belief of many in our organization, including our leadership, that reliable projections will be problematic until this matter is suitably resolved. Furthermore, relations have deteriorated to such an extent that Rusneftegaz has been compelled to undertake additional security measures to protect our business from external threats, chiefly originating from the internet, following attacks against other Russian companies and organizations. However, this is a suitable example of how Rusneftegaz maintains sufficient resources to circumvent any challenges our entity may face, and the capability of our management to be proactive to issues that may arise. Ultimately, the remainder of 2022 is expected to be positive for Rusneftegaz, revenues and profits are projected to remain high in spite of recessions in key commodity prices. Whilst there may be unforeseen problems in the third and fourth quarter, particularly with regard to the broader diplomatic affairs, there is ample reason to not be concerned about any potential matters.

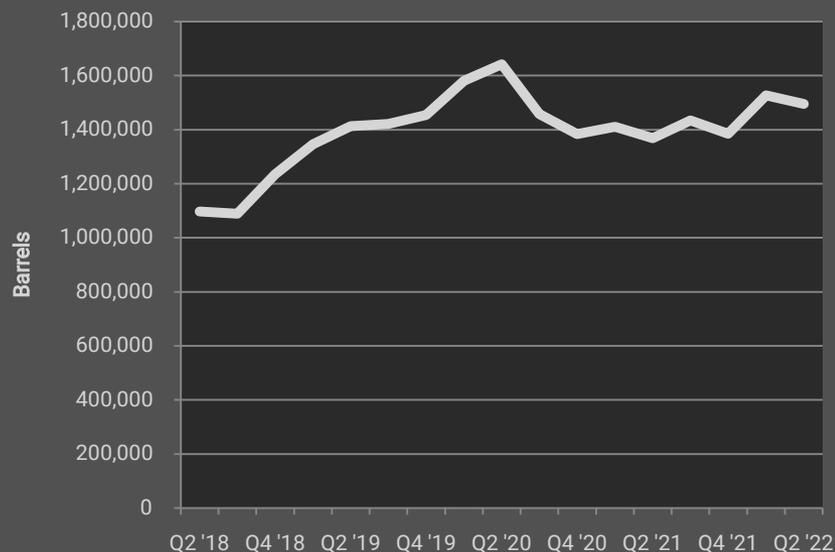
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# RUSNEFTEGAZ Q2 2022 OPERATING RESULTS

Quarterly oil production – Q2 2018 to present



Quarterly energy generation – Q2 2018 to present



Quarter	Q2 '18	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22
Average barrels p/d	12.054	11.834	13.412	14.959	15.518	15.439	15.799	17.369	18.039	15.837	15.040	15.673	15.039	15.546	15.043	16.958	16.429

Quarter	Q2 '18	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22
Total generated (TWh)	2,33	2,14	3,77	2,07	2,49	2,06	3,84	1,76	1,70	1,94	3,15	1,93	2,04	1,87	3,60	2,01	2,31

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