



RUSNEFTEGAZ
Q3 2021
QUARTERLY
PRESENTATION



RUSNEFTEGAZ Q3 2021 OPERATING RESULTS

Rusneftegaz can publish results for the third quarter of the year as of and for the nine months ended 30 September. 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 17,6% from the second quarter of 2021.

↑ Pre-tax profits rose 5,3% from the three months prior.

↑ Operating cash flow expanded 6,1% from the second period of the year.

↓ The value of all liabilities decreased by 4,3% from the previous quarter.

↑ Oil production between July and September rose by 4,8% from the prior period.

↑ Average daily petroleum extraction is up 3,7% from the preceding three months.

↓ The total volume of electricity generated fell 8,3% from the last quarter.

Income		Q3 2021	Q2 2021	Q3 2020
Revenue	(m)	179.932	153.042	112.410
Cost of sales	(m)	(104.857)	(82.344)	(78.021)
Gross profit	(m)	75.075	70.698	34.389
Other income	(m)	109	60	39
Other expenses	(m)	(24.856)	(22.966)	(19.107)
Operating profit	(m)	50.328	47.792	15.321
Net finance income	(m)	208	203	188
Net profit	(m)	50.536	47.995	15.509
Tax expense	(m)	(13.562)	(12.471)	(4.233)
Net profit for the period after tax	(m)	36.974	35.524	11.276
Retained earnings	(m)	1.996.729	1.959.755	1.886.318
Total liabilities	(m)	102.850	107.438	103.765

Cash flows

Cash flow from operating activities	(m)	68.912	64.947	33.540
Cash flow from financing activities	(m)	(417)	(417)	—
Cash flow from investing activities	(m)	(11.390)	(12.178)	(15.326)

Operations

Average daily oil production	(bpd)	15.589	15.039	15.837
Peak daily oil production	(bpd)	16.072	15.629	16.421
Total oil production	(barrels)	1.434.188	1.368.549	1.457.004
Total electricity production	(TWh)	1,87	2,04	1,94
Total installed capacity	(MW)	1.860	1.860	1.860
Installed capacity utilization	(%)	45,53	50,22	47,24

Per share statistics

Revenue per share	(\$)	180	153	112
Earnings per share - basic	(\$)	37	36	11
Earnings per share - diluted	(\$)	37	36	11
Cash flow per share*	(\$)	69	65	34
Issued ordinary shares		1.000	1.000	1.000

*From operating activities only

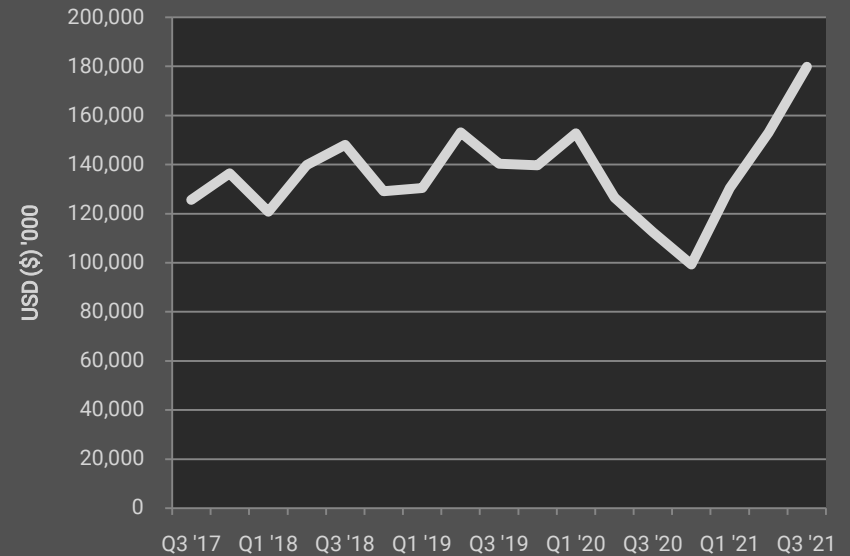
The financial details in this presentation are current at the date of this report, and believed by Rusneftegaz to be accurate and true. All information is disclosed as a summary and does not purport to be complete. The data that this commentary is dependent on is obtained from sources believed to be reliable, but neither the Group, nor any of the directors, officers, employees, agents, subsidiaries or affiliates can wholly guarantee the accuracy or completeness of such information.



RUSNEFTEGAZ Q3 2021 OPERATING RESULTS

For the third quarter of the year, Rusneftegaz can declare pre-tax profits of \$50,5 million from record quarterly revenues of \$179,9 million, underlying a marked improvement in financial performance since the beginning of the pandemic. Whilst such results did not set new corporate records for profits reported, these figures represent a 60,1% increase in turnover year-on-year, up from the \$112,4 million reported for the same timeframe in 2020. Likewise, such numbers exemplify a considerable 225,8% annual growth when compared to the minuscule \$15,5 million in quarterly profits published twelve months ago, underpinning the anomalous and exiguous nature of the results announced at that particular time. Notwithstanding the fact that such remarkable improvements in economic reporting should be commended, there were, however, notable inconsistencies in market conditions throughout the third period of 2021. This was largely due to a multitude of factors, rather than a single, major overarching cause, resulting in a 17,6% rise in revenue from the \$153,0 million announced for the second period, and a smaller 5,3% increase in pre-tax profits from the record total of \$48,0 million. Broadly-speaking, the value of commodities declined from the beginning of the quarter until mid-August, before staging a full and comprehensive recovery to exceed the quotes recorded in early July. As a result, the average oil price throughout the aforementioned three months only changed nominally from that reported in the second quarter of the year. However, it is important to note that Rusneftegaz does not solely trade oil using spot contracts, instead deploying a combination of both the aforesaid short-term transactions in combination with futures traded and agreed up to one year in advance, in order to maximize profitability accordingly. Company economists calculate the optimum balance of risk between both spot and futures contracts to mitigate the potential for fluctuations in the value of commodities, and utilize effective hedging to ensure that our organization can tolerate any reasonable variations. For this quarter, it is noteworthy that the economic risk borne by Rusneftegaz was ultimately determined in exemplary fashion, hence why excellent results have been announced despite less than favorable conditions on the market. Such policies are not solely deployed to successfully manage changes in value of petroleum and refined products, but also in areas such as currency conversions. Fortunately, our organizations preferred currency, the Russian ruble, was broadly stable throughout the period, thus having a minimal impact on Rusneftegaz's financial reporting for the third quarter. Perhaps of the marginal factors which affected the results negatively during the period between July and September, the one with the time in 2020. Whilst it is normal for demand for energy capacity to contract over the summer months, for production to be lower than the third quarter of 2020, when the data recorded was abnormally low as a direct consequence of the emergent pandemic, is profoundly unsatisfactory and shall be reviewed by the management board in due course. On the other hand, oil extraction

Quarterly revenue — Q3 2017 to present



Revenue has expanded 60,1% from the third period in 2020.



Pre-tax profits have grown 225,8% year-on-year.



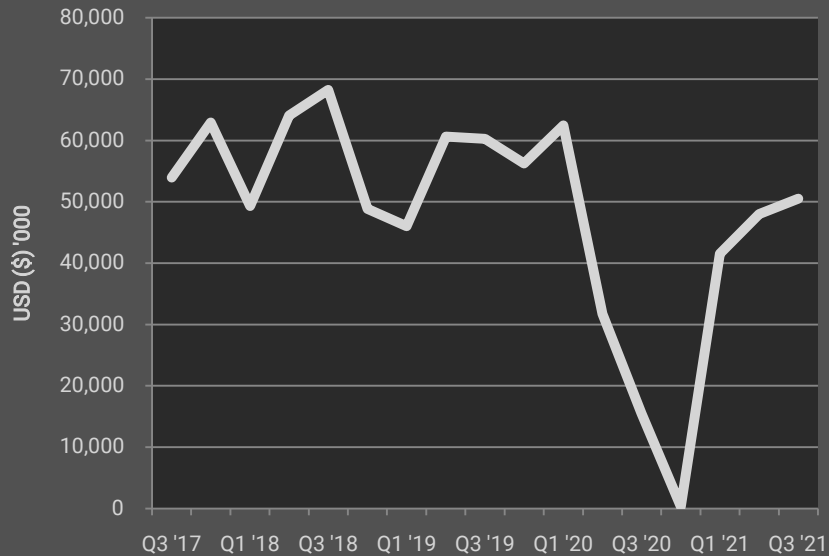
Operating cash flow has inflated 105,5% on the same quarter this time last year.

The financial details in this presentation are current at the date of this report, and believed by Rusneftegaz to be accurate and true. All information is disclosed as a summary and does not purport to be complete. The data that this commentary is dependent on is obtained from sources believed to be reliable, but neither the Group, nor any of the directors, officers, employees, agents, subsidiaries or affiliates can wholly guarantee the accuracy or completeness of such information.



RUSNEFTEGAZ Q3 2021 OPERATING RESULTS

Quarterly pre-tax profit – Q3 2017 to present



Oil production is 1,6% lower than the same quarter twelve months ago.



The average daily petroleum extraction for the period is down 1,6% year-on-year.



Electricity generation has declined 3,6% from the third quarter of 2020.

throughout the same timeframe rebounded from its decline in the three months to the beginning of July, with a total of 1,43 million barrels produced. This represents a rise of 4,8% from the second quarter, where a figure of 1,38 million barrels was announced, but also a year-on-year abatement of 1,6%. This nominal decline from 2020, when the amount extracted equated to 1,46 million barrels, is not considered cause for concern by management and cannot be attributed to any underlying factor, including the ongoing pandemic. Whilst coronavirus still had a preminent influence on our organization's financial reporting for this timeframe, its impact throughout the summer was the most markedly diminished since the crisis began early last year. However, the board of directors convened in late July and elected to maintain the current working arrangements for the majority of Rusneftegaz's staff. This was principally due to projections suggesting a potential surge in cases of the disease as the colder, autumnal months approached, and as a consequence the likelihood of a return to office-based roles for all employees had manifestly receded. Similarly, senior managers had previously stated their intention to restart Rusneftegaz's extensive investment program at the appropriate time, which was believed to be in the second half of 2021, but this was impeded following the unanimous decision to exercise caution following the pessimistic forecasts. Retrospectively, all such decisions were vindicated in October, when all corporate offices in Russia were closed following a substantial rise in instances of coronavirus being detected. Moreover, although our organization's capacity to forecast the developments unfolding during the pandemic should be acclaimed, such circumstances still inhibit Rusneftegaz and the company's long-term economic development. The emergence of a newly-recognized variant of concern by the World Health Organization in the weeks prior to the publication of this financial data indicates that any material updates to both plans and forecasts are unlikely until the facts surrounding the novel variation are established and independently verified. Nonetheless, despite projections for the final weeks of the current financial year now being less reliable than previously believed, Rusneftegaz is still set to report record annual revenues, profits and cash flows for 2021. Fundamentally, all the key trends affecting our organization's underlying economic performance largely continue to perform in Rusneftegaz's favor, including both commodities and currencies, and management presume that the results for the fourth quarter will be consistent with those published for the first three periods of the year.

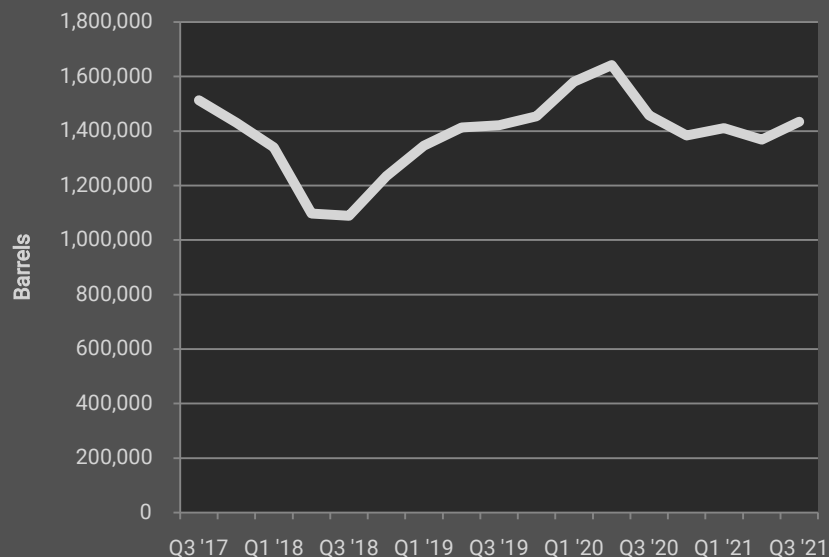
Published on December 6, 2021.

The financial details in this presentation are current at the date of this report, and believed by Rusneftegaz to be accurate and true. All information is disclosed as a summary and does not purport to be complete. The data that this commentary is dependent on is obtained from sources believed to be reliable, but neither the Group, nor any of the directors, officers, employees, agents, subsidiaries or affiliates can wholly guarantee the accuracy or completeness of such information.

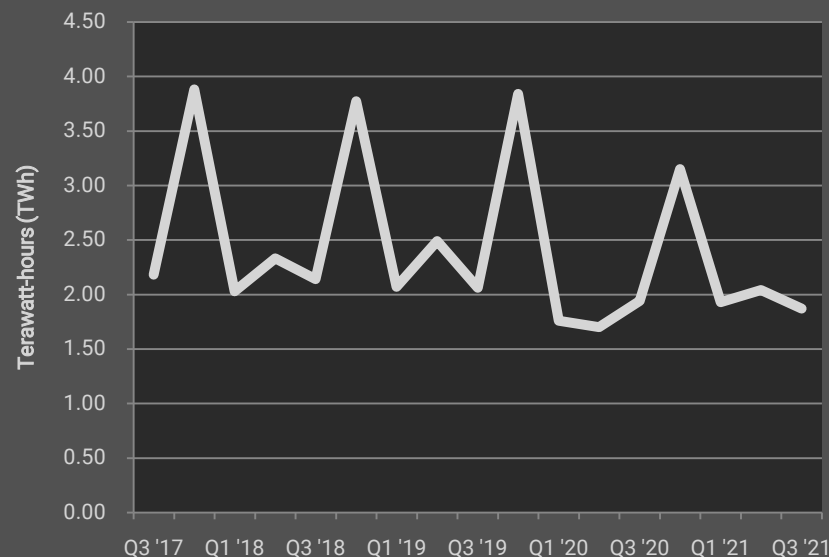


RUSNEFTEGAZ Q3 2021 OPERATING RESULTS

Quarterly oil production – Q3 2017 to present



Quarterly energy generation – Q3 2017 to present



Quarter	Q3 '17	Q4 '17	Q1 '18	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
Average barrels p/d	16.442	15.546	14.892	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	15.589

Quarter	Q3 '17	Q4 '17	Q1 '18	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
Total generated (TWh)	2,18	3,88	2,03	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

The financial details in this presentation are current at the date of this report, and believed by Rusneftegaz to be accurate and true. All information is disclosed as a summary and does not purport to be complete. The data that this commentary is dependent on is obtained from sources believed to be reliable, but neither the Group, nor any of the directors, officers, employees, agents, subsidiaries or affiliates can wholly guarantee the accuracy or completeness of such information.

