

Third Quarter 2021 Operational and Financial Results Conference Call



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28 October 2021



Disclaimer – Forward Looking Statement

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “will,” “may,” “should” and similar expressions identify forward-looking statements. Forward-looking statements include statements regarding: strategies, outlook and growth prospects; future plans and potential for future growth; liquidity, capital resources and capital expenditures; growth in demand for our products; economic outlook and industry trends; developments of our markets; the impact of regulatory initiatives; and the strength of our competitors.

The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control and we may not achieve or accomplish these expectations, beliefs or projections. In addition, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include:

- changes in the balance of oil and gas supply and demand in Russia and Europe;
- the effects of domestic and international oil and gas price volatility and changes in regulatory conditions, including prices and taxes;
- the effects of competition in the domestic and export oil and gas markets;
- our ability to successfully implement any of our business strategies;
- the impact of our expansion on our revenue potential, cost basis and margins;
- our ability to produce target volumes in the face of restrictions on our access to transportation infrastructure;
- the effects of changes to our capital expenditure projections on the growth of our production;
- inherent uncertainties in interpreting geophysical data;
- commercial negotiations regarding oil and gas sales contracts;
- changes to project schedules and estimated completion dates;
- potentially lower production levels in the future than currently estimated by our management and/or independent petroleum reservoir engineers;
- our ability to service our existing indebtedness;
- our ability to fund our future operations and capital needs through borrowing or otherwise;
- our success in identifying and managing risks to our businesses;
- our ability to obtain necessary regulatory approvals for our businesses;
- the effects of changes to the Russian legal framework concerning currently held and any newly acquired oil and gas production licenses;
- changes in political, social, legal or economic conditions in Russia and the CIS;
- the effects of, and changes in, the policies of the government of the Russian Federation, including the President and his administration, the Prime Minister, the Cabinet and the Prosecutor General and his office;
- the effects of international political events;
- the effects of technological changes;
- the effects of changes in accounting standards or practices; and
- inflation, interest rate and exchange rate fluctuations.

This list of important factors is not exhaustive. When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as of the date on which they are made. Accordingly, we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

The information and opinions contained in this document are provided as at the date of this presentation and are subject to change without notice.

By participating in this presentation or by accepting any copy of this document, you agree to be bound by the foregoing limitations.

Summary Operational Highlights – 3Q21

- **Total revenues** amounted to RR 276.7 bln, representing an **increase of 69.0%** compared to 3Q20.
- **Normalized EBITDA*** totaled RR 181.8 bln, representing an **increase of 93.6%** compared to 3Q20.
- **Normalized profit*** excluding the effect of foreign exchange gains (losses) totaled RR 104.9 bln, representing an **increase of 193.8%** compared to 3Q20.
- **Free Cash Flow** totaled RR 46.2 bln, representing an **increase of 385.8%** compared to 3Q20.
- **Hydrocarbons production** totaled 149.5 mmboe, representing a **decrease of 0.5%** compared to 3Q20.

*Excluding the effects from the disposal of interests in subsidiaries and joint ventures (recognition of a net gain on disposal and subsequent non-cash revaluation of contingent consideration).

Key Events 3Q21

- NOVATEK obtained the Arkticheskoye and Neytinskoye fields.
- First modules delivered for the Arctic LNG 2 project.
- A subsidiary LNG Fuel to develop domestic LNG fuel market was created. LNG Fuel will construct small-scale LNG plants, facilitate LNG wholesale markets and develop a retail network for LNG as a motor fuel, as well as provide LNG as part of the autonomous gasification program in the Russian domestic market.
- Representative office in Vietnam was established. The office will facilitate NOVATEK's expansion into the global gas markets and provide continuous support for the Company's prospective energy projects in Vietnam.
- NOVATEK's shareholders approved interim dividends.
- 🌱 FTSE4Good Index Reconfirms NOVATEK.
- 🌱 NOVATEK and Ministry of Economy, Trade and Industry of Japan signed Memorandum of Cooperation on ammonia, hydrogen and carbon capture, utilization and storage.
- 🌱 NOVATEK and JBIC signed Strategic Cooperation Agreement on low-carbon projects.

Key ESG events 3Q21



United Nations
Global Compact

- NOVATEK has become a signatory of United Nations Global Compact



SUSTAINALYTICS

a Morningstar company

- NOVATEK risk rating advanced to **32.3 that is the best score in Russian Oil & Gas**
- In **Top 5** among major global integrated oil and gas companies



- Environmental, Safety and Health Impact Assessment, the biodiversity implementation strategy and GHG and energy efficiency management plan of the Arctic LNG 2 project were disclosed

Methane emissions satellite monitoring

- NOVATEK has signed an agreement with Kayrros, a leading company in the field of satellite detection and tracking of emissions
- A pilot project was launched to improve the methodology for tracking, detecting, monitoring and measuring methane emissions at NOVATEK fields

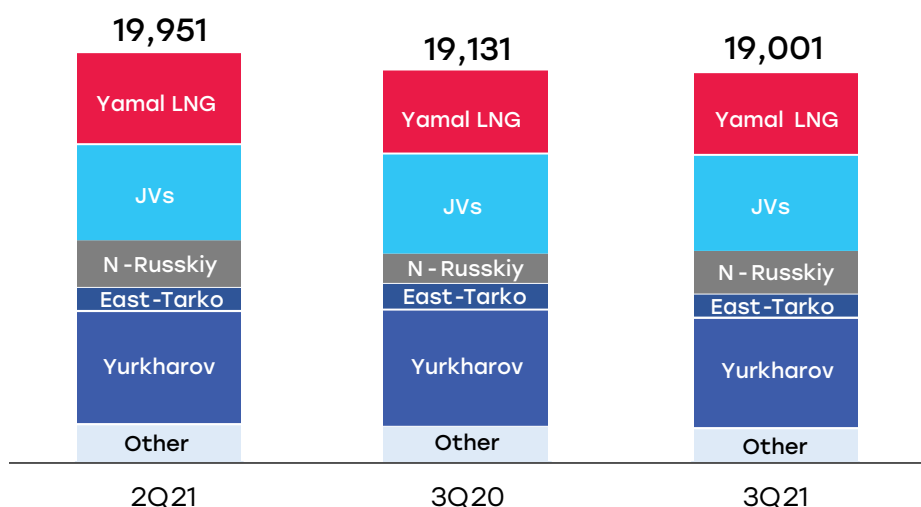


OPERATIONAL OVERVIEW

Hydrocarbon Production

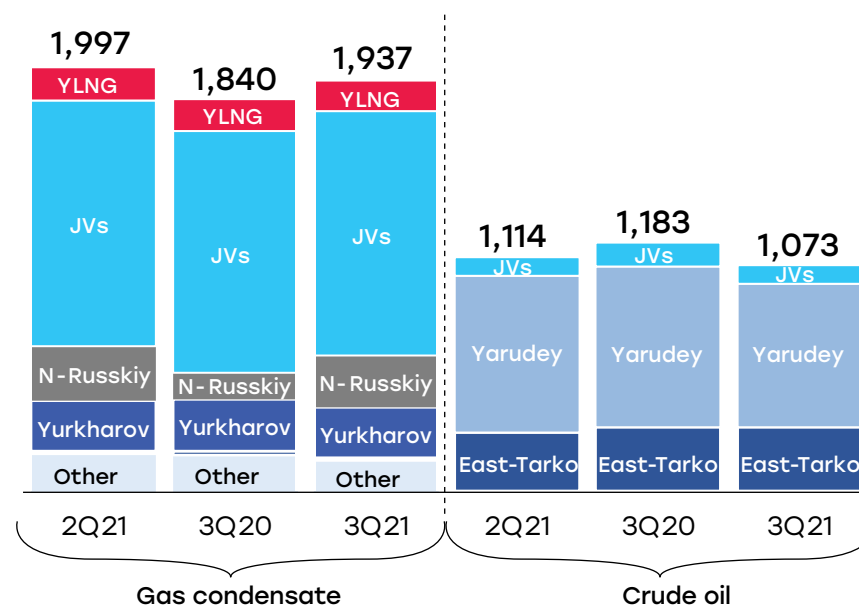
NATURAL GAS PRODUCTION

mmcm



LIQUIDS PRODUCTION

mt



N-Russkiy includes production at the North-Russkoye, East-Tazovskoye and Dorogovskoye fields

Our total natural gas and liquids production including the proportionate share in the production of our joint ventures marginally decreased Y-o-Y by 0.7% and 0.4%, respectively, compared to the corresponding prior year period. The commissioning of gas condensate deposits within the fields of the North-Russkiy cluster in August 2020 almost offset the declines in hydrocarbons production at mature fields of our subsidiaries and joint ventures. In the nine months 2021, our total natural gas and liquids production increased by 4.2% and 2.9%, respectively.

Purovsky Plant and Ust-Luga Complex

Purovsky Plant

Total volumes delivered in 3Q21: 3,155 mt

- North-Russkiy cluster: 243 mt
- Yurkharovskoye field: 240 mt
- East-Tarkosalinskoye and Khancheyskoye fields: 103 mt
- Other fields: 107 mt
- Purchases from our joint ventures: 2,462 mt

Total output of marketable products: 3,133 mt

- Stable gas condensate: 2,291 mt
- LPG: 842 mt

Ust-Luga Complex

Total volumes delivered in 3Q21: 1,590 mt

Total output of marketable stable gas condensate refined products: 1,560 mt

- Naphtha: 999 mt
- Other products: 561 mt

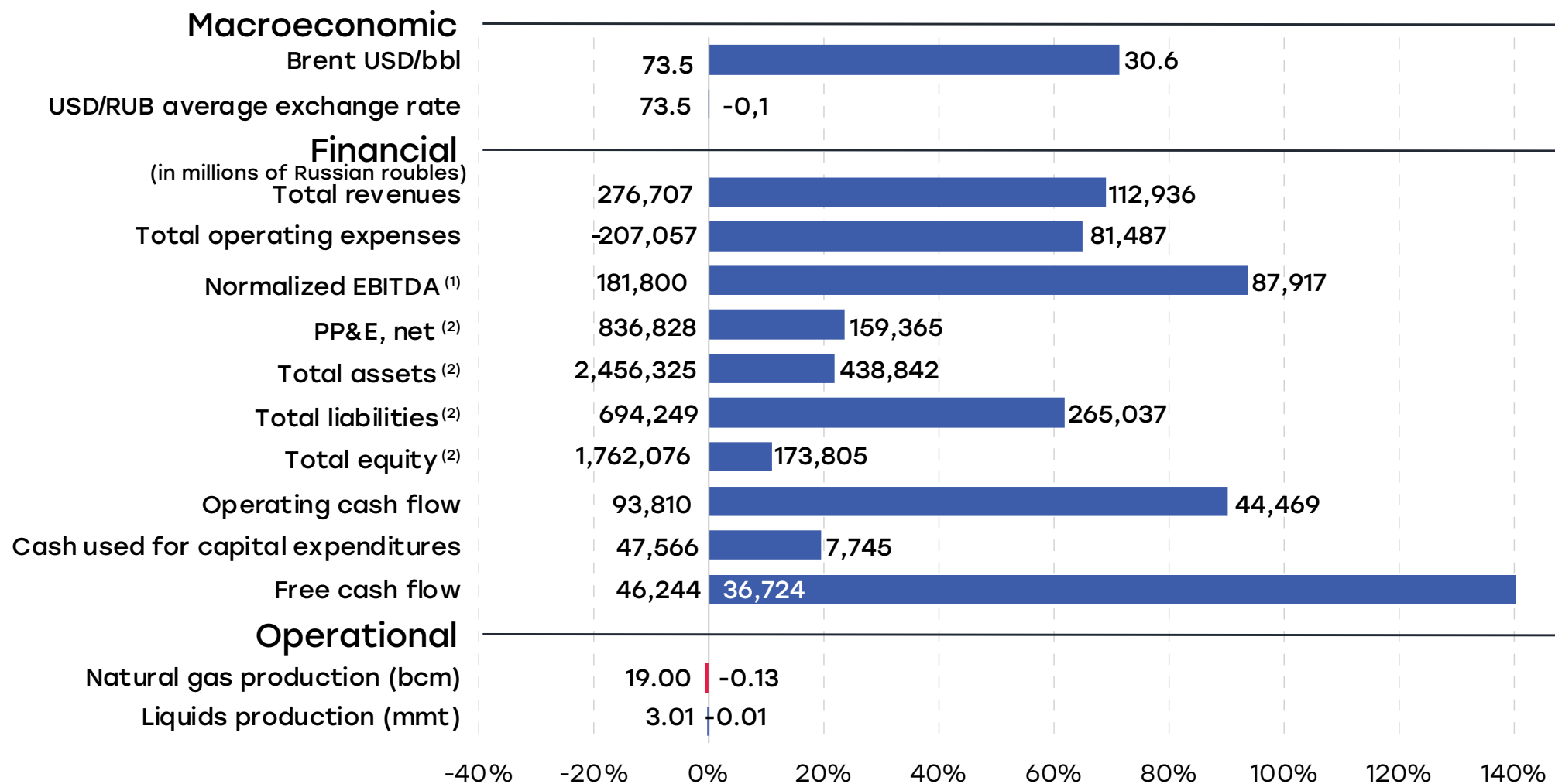
Stable gas condensate refined products sold: 1,413 mt

- to Europe: 693 mt
- to the Asian Pacific Region: 280 mt
- to North America: 270 mt
- Other: 170 mt



FINANCIAL OVERVIEW – 3Q21 TO 3Q20

Performance Summary 3Q21/3Q20

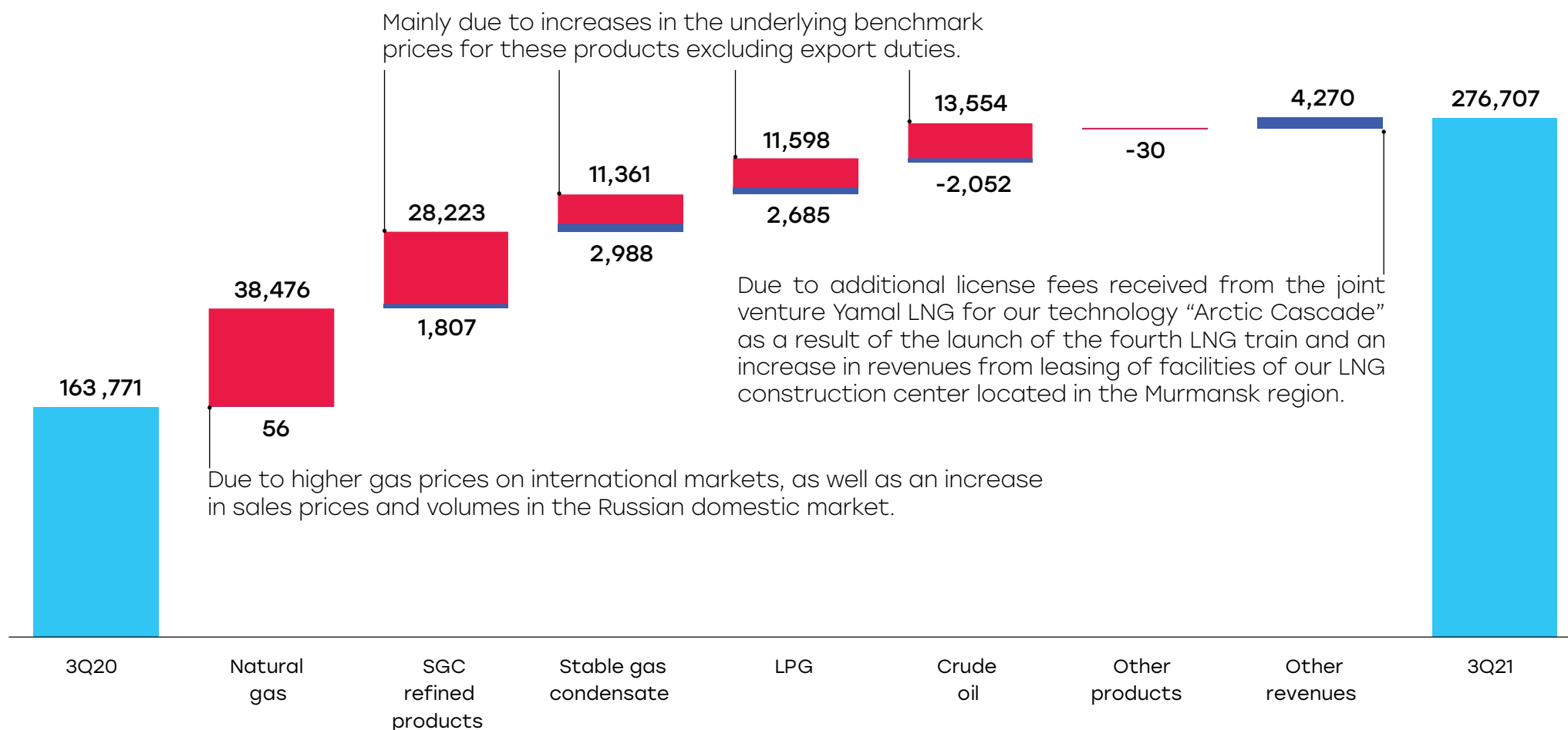


(1) Excluding the effects from the disposal of interests in subsidiaries and joint ventures (recognition of a net gain on disposal and subsequent non-cash revaluation of contingent consideration)

(2) 30.09.2021 to 30.09.2020

Note: Number on the right is the absolute change, number on the left is the value for the reporting period, size of bar is % change

Total Revenues (RR million)

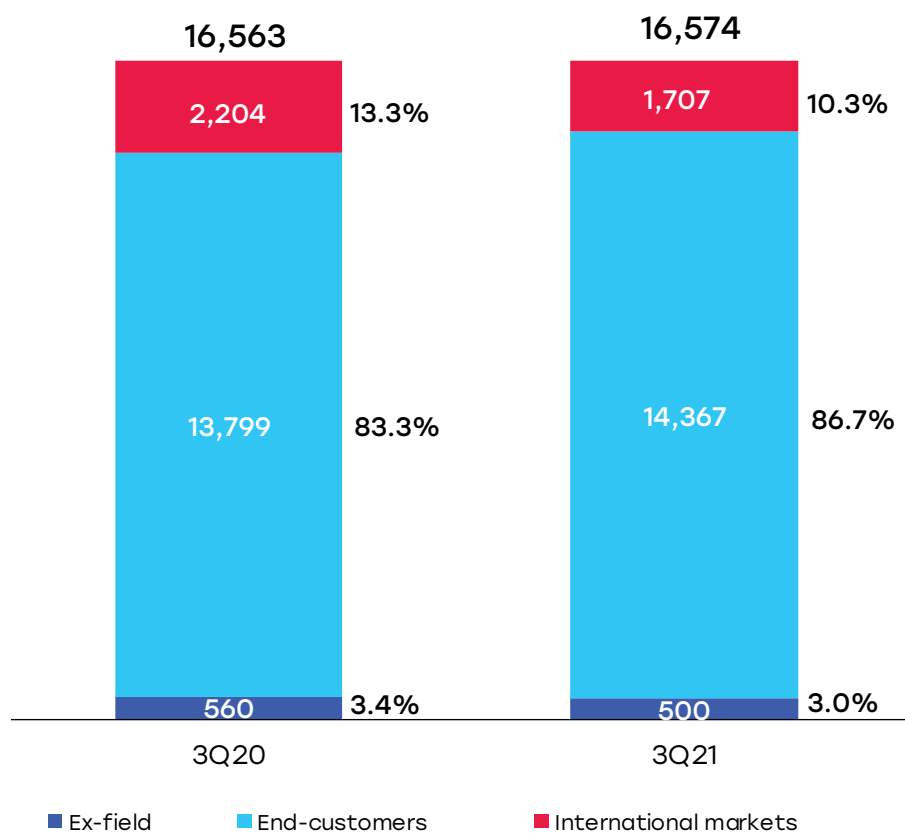


■ Change due to volume ■ Change due to price

Market Distribution - Sales Volumes

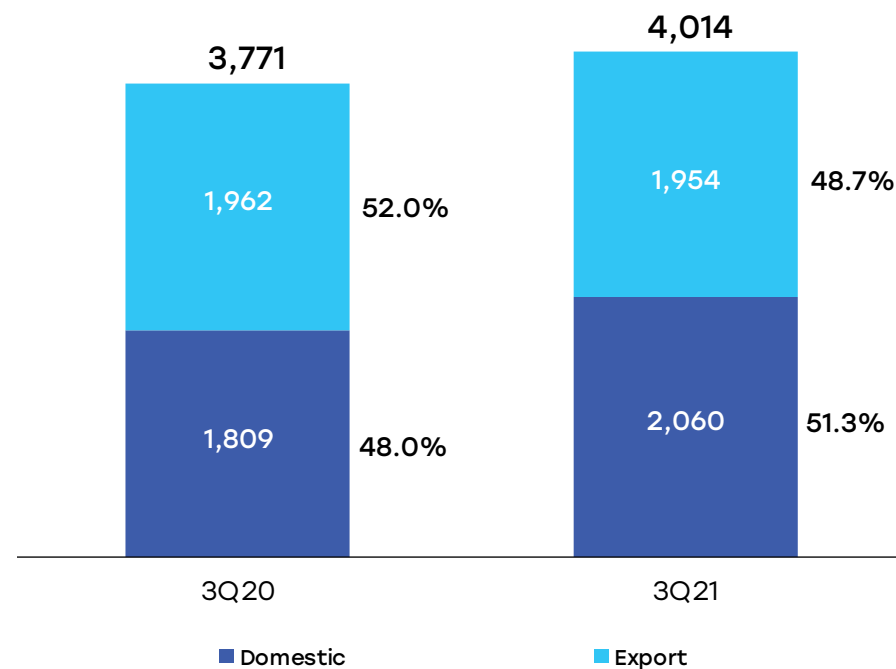
NATURAL GAS SALES VOLUMES

mmcm

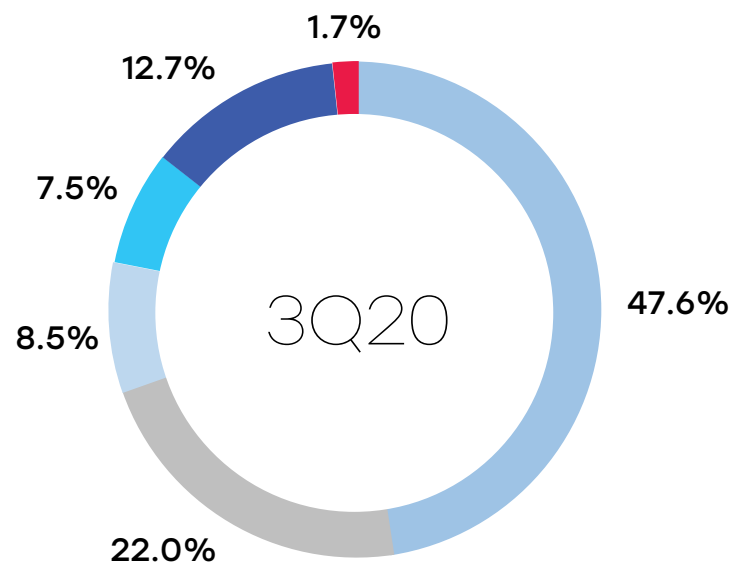
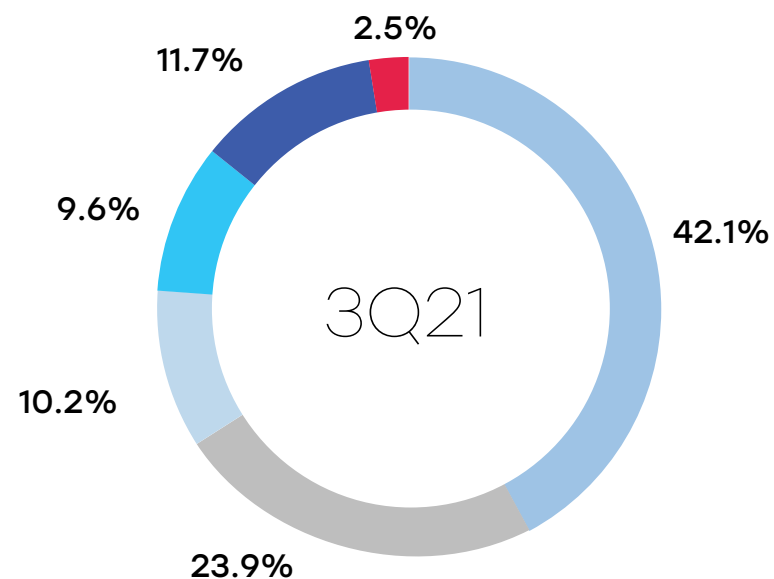
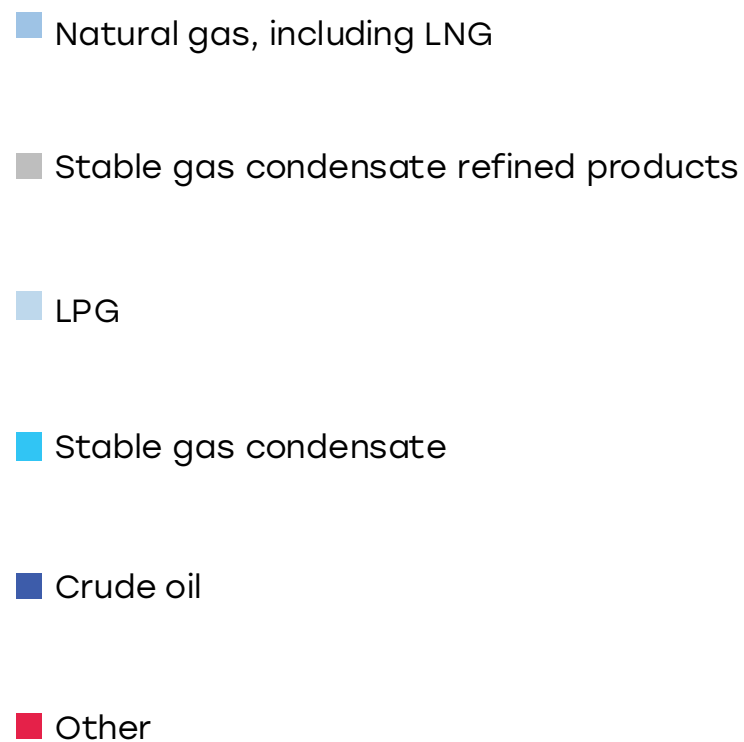


LIQUIDS SALES VOLUMES

mt



Total Revenues Breakdown (RR billion)



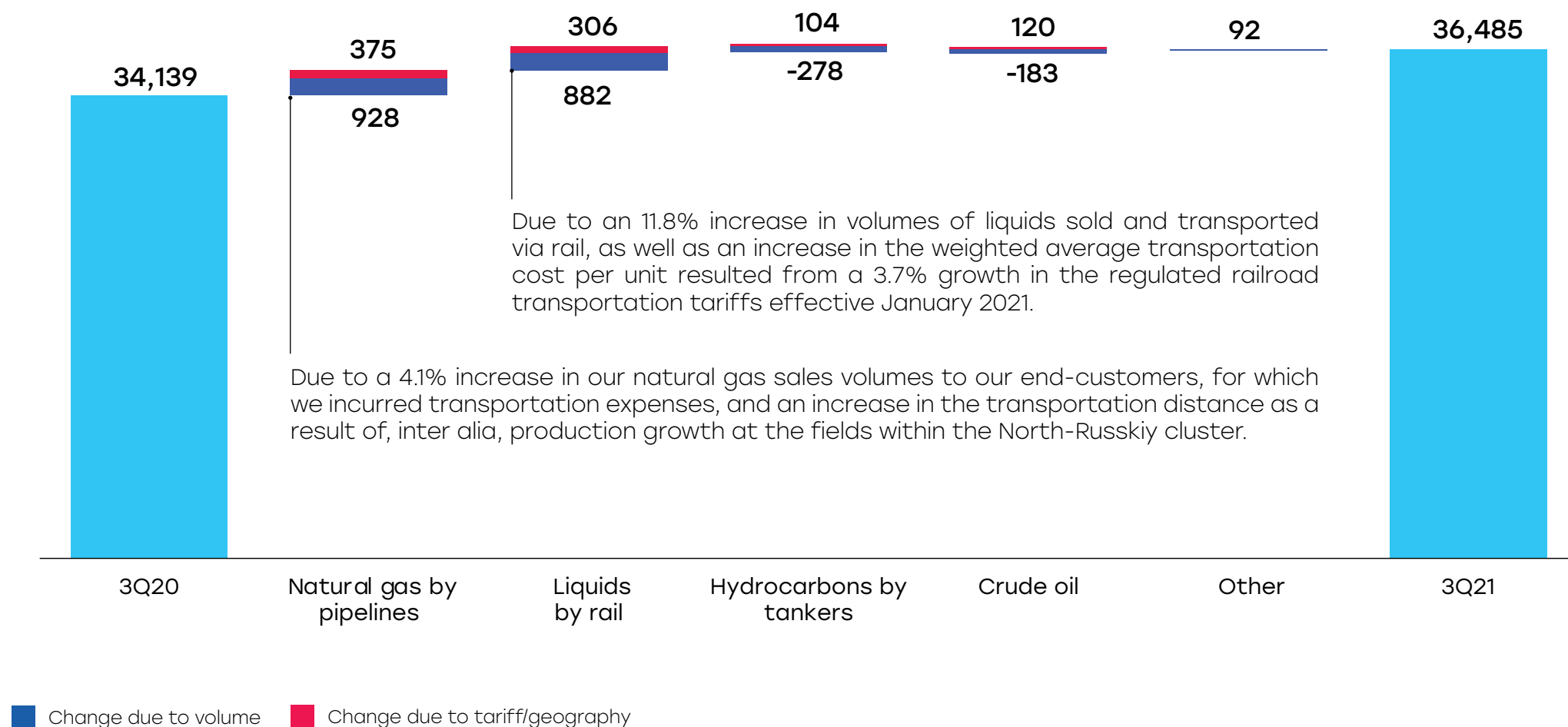
Operating Expenses

(RR million and % of Total Revenues (TR))

3Q20	% of TR	3Q21	% of TR		2Q21	% of TR	3Q21	% of TR
34,139	20.8%	36,485	13.2%	Transportation expenses	38,879	14.7%	36,485	13.2%
14,121	8.6%	22,522	8.1%	Taxes other than income tax	21,926	8.3%	22,522	8.1%
48,260	29.5%	59,007	21.3%	Non-controllable expenses	60,805	23.0%	59,007	21.3%
9,733	5.9%	13,332	4.8%	Depreciation and amortization	13,012	4.9%	13,332	4.8%
7,593	4.6%	8,506	3.1%	Materials, services & other	8,443	3.2%	8,506	3.1%
8,424	5.1%	8,472	3.1%	General and administrative	7,630	2.9%	8,472	3.1%
2,415	1.5%	695	0.3%	Exploration expenses	871	0.3%	695	0.3%
-5	n/a	-2	n/a	Net impairment expenses (reversals)	-6	n/a	-2	n/a
-3,726	n/a	-3,841	n/a	Change in natural gas, liquids and WIP	-122	n/a	-3,841	n/a
72,694	44.4%	86,169	31.1%	Subtotal operating expenses	90,633	34.3%	86,169	31.1%
52,876	32.3%	120,888	43.7%	Purchases of natural gas and liquid hydrocarbons	104,531	39.5%	120,888	43.7%
125,570	76.7%	207,057	74.8%	Total operating expenses	195,164	73.8%	207,057	74.8%

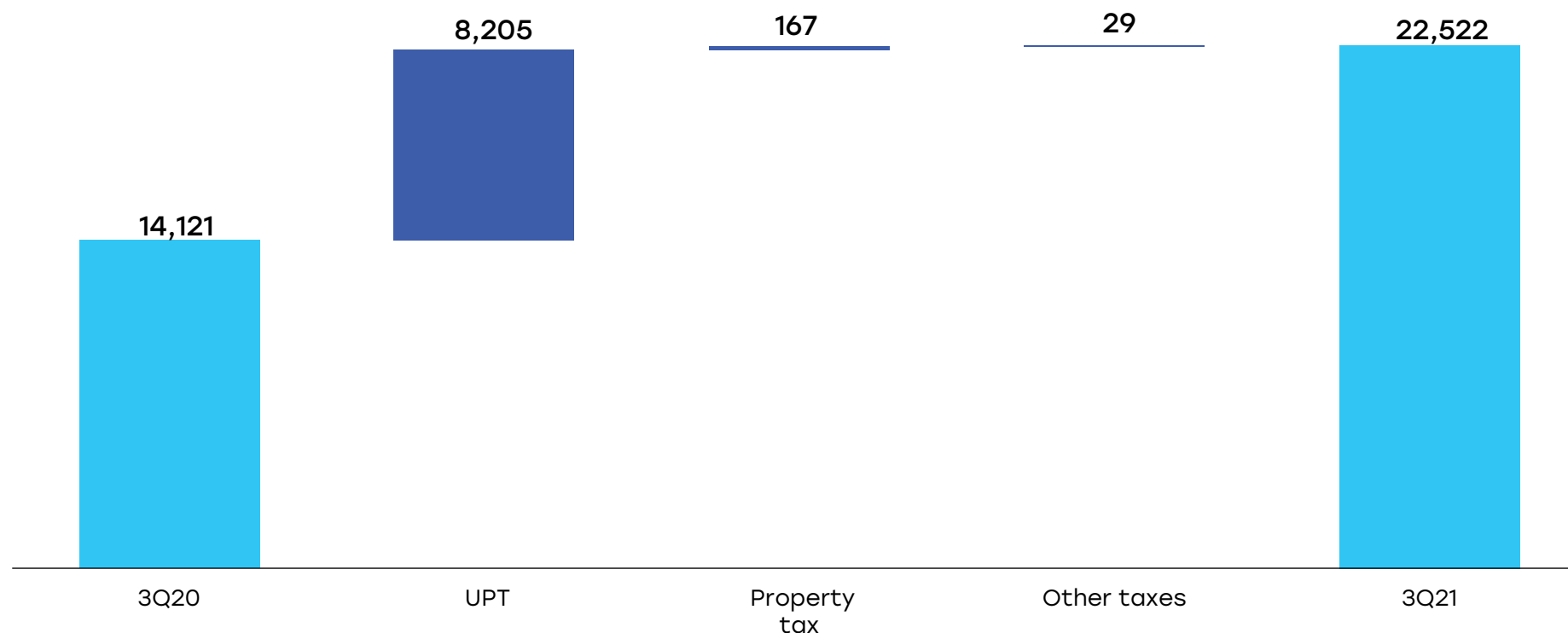
Our total operating expenses increased Y-o-Y by 64.9% mainly due to an increase in global hydrocarbon commodity prices, which resulted in an increase in average hydrocarbon purchase prices and UPT rates.

Transportation Expenses (RR million)



Taxes Other Than Income Tax Expense

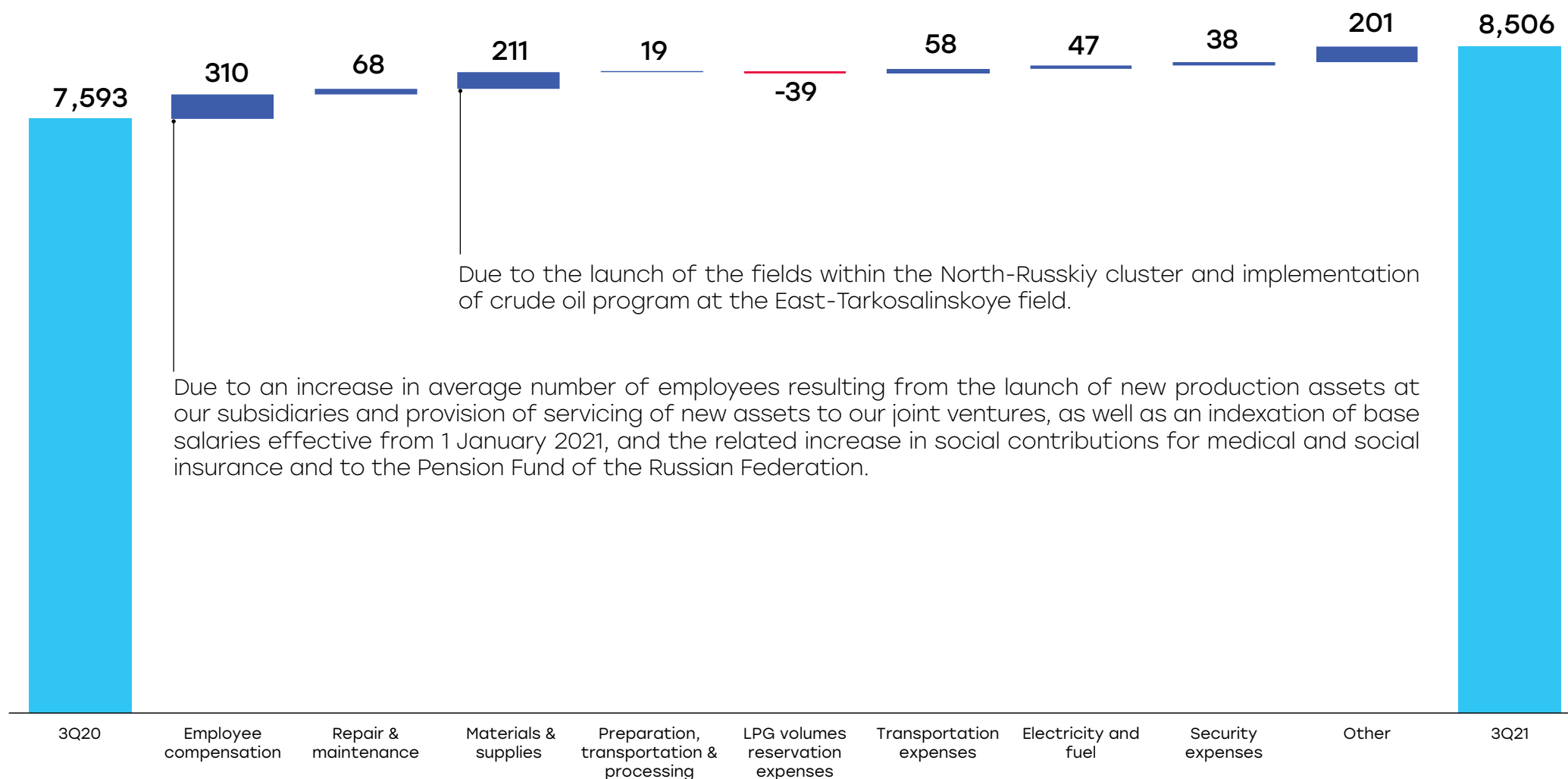
(RR million)



Our UPT expense increased primarily due to an increase in UPT rates, as well as an increase in gas condensate and natural gas production volumes. The increase in UPT rates was due to an increase in benchmark crude oil prices and changes in the UPT rates formulas caused by the completion of the tax maneuver in the oil and gas industry.

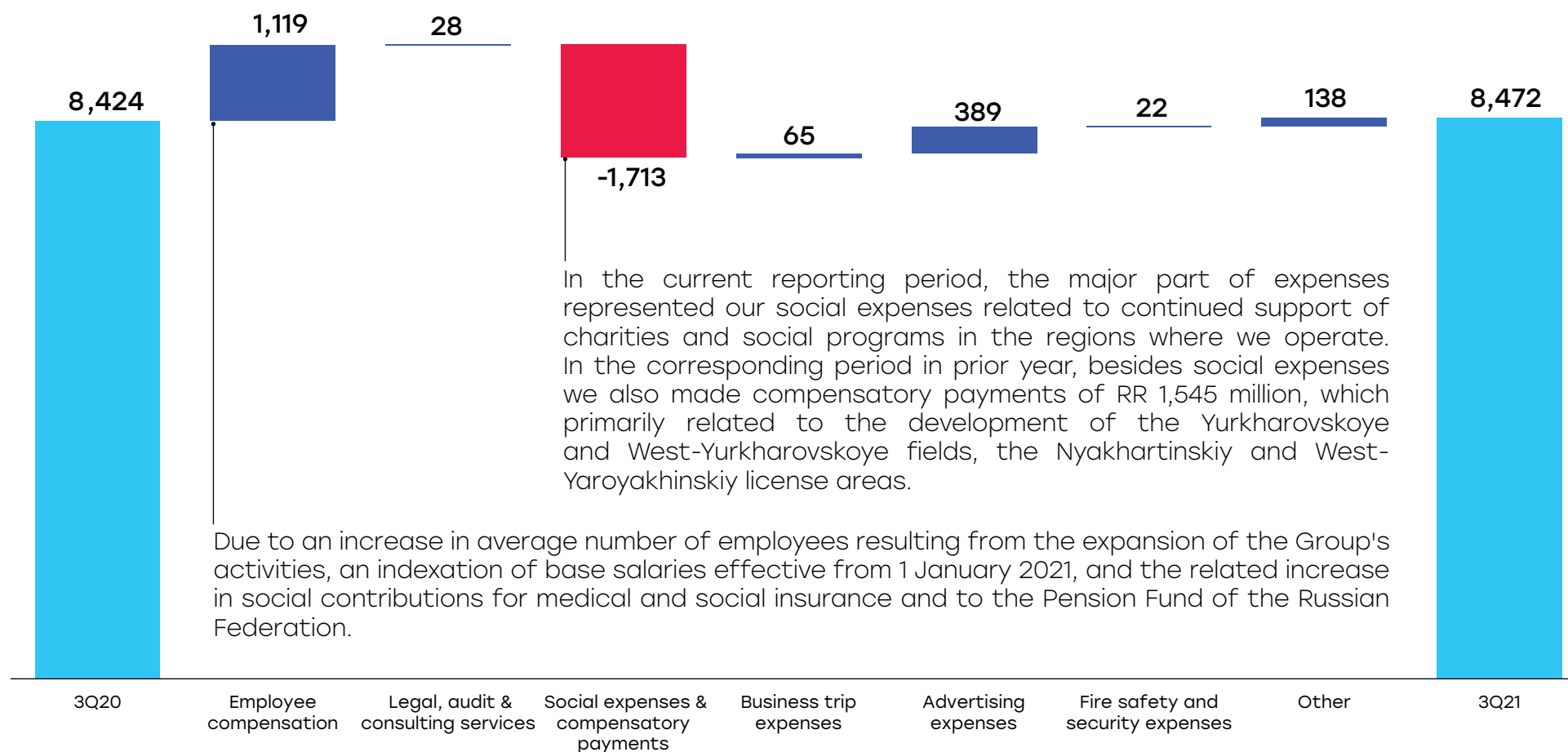
Materials, Services and Other Expenses

(RR million)

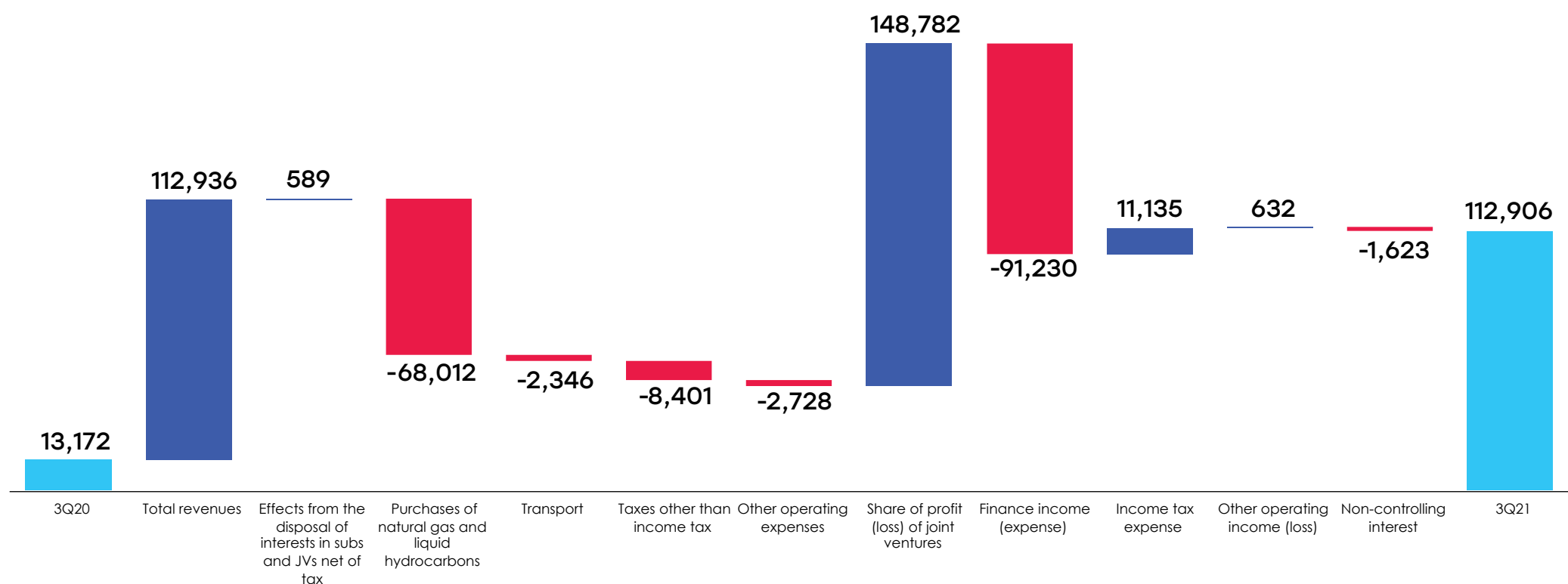


General and Administrative Expenses

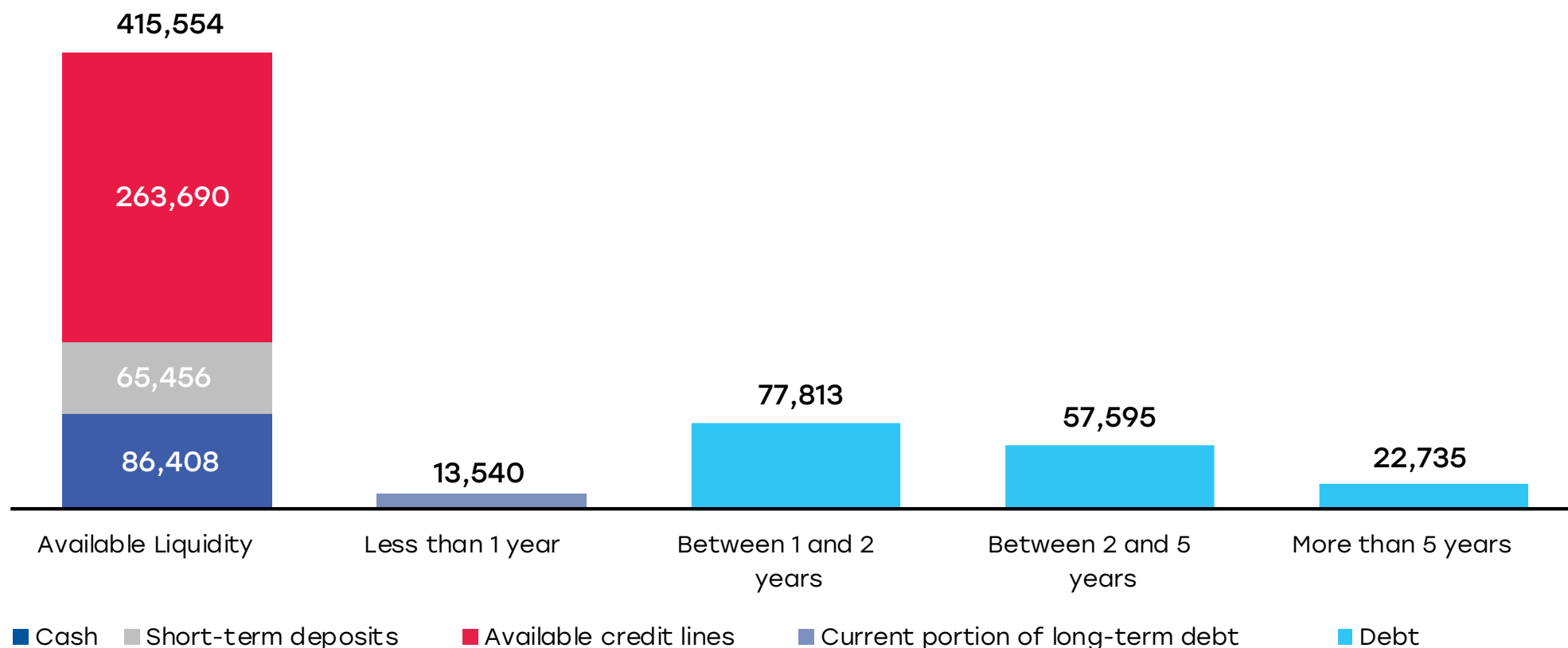
(RR million)



Profit Attributable to NOVATEK Shareholders (RR million)



Total Debt Maturity Profile (RR million)



DEBT REPAYMENT SCHEDULE:

UP TO 30 SEPTEMBER 2022 – LOAN FROM THE SILK ROAD FUND AND OTHER LOANS

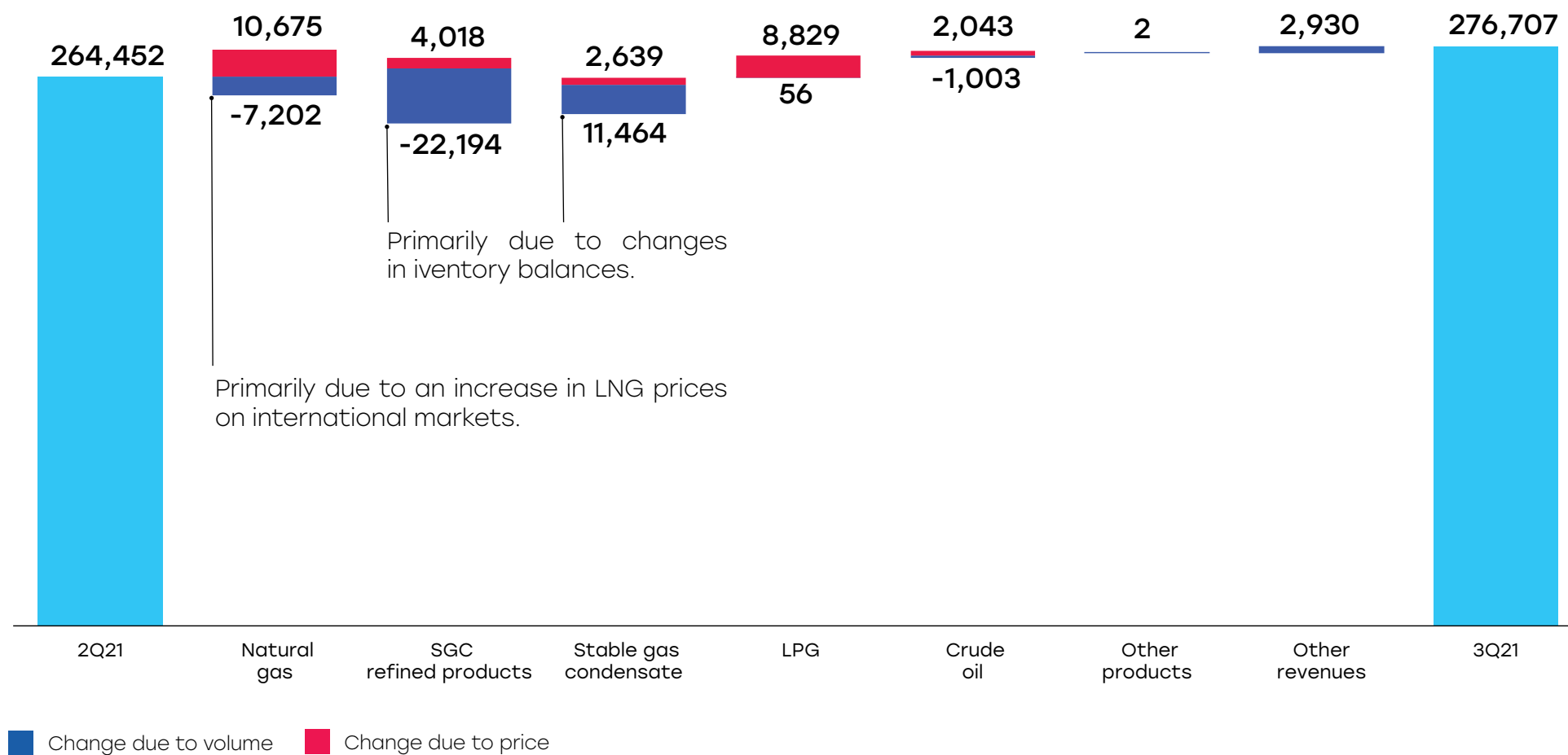
UP TO 30 SEPTEMBER 2023 – LOAN FROM THE SILK ROAD FUND AND EURO BONDS TEN-YEAR (USD ONE BLN)

AFTER 30 SEPTEMBER 2024 – LOAN FROM THE SILK ROAD FUND AND OTHER LOANS

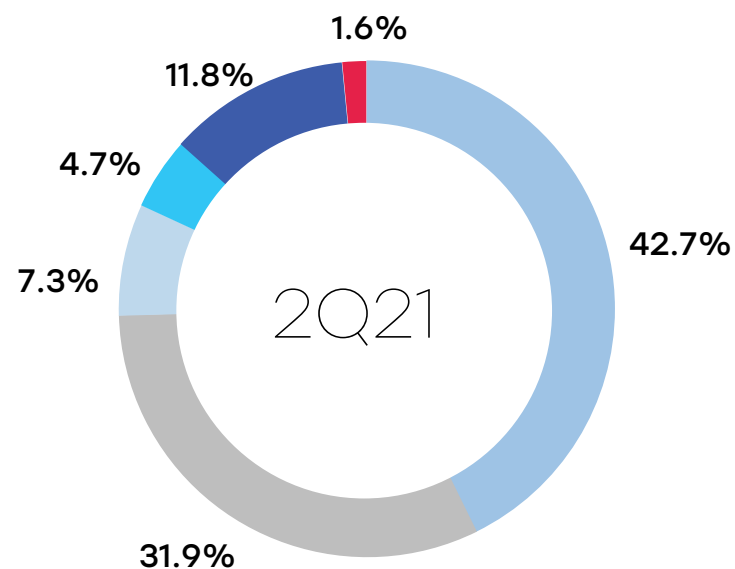
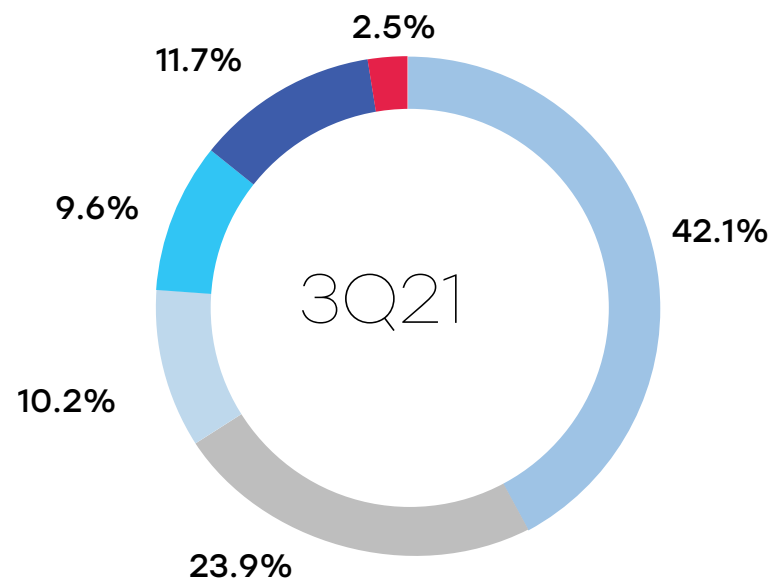
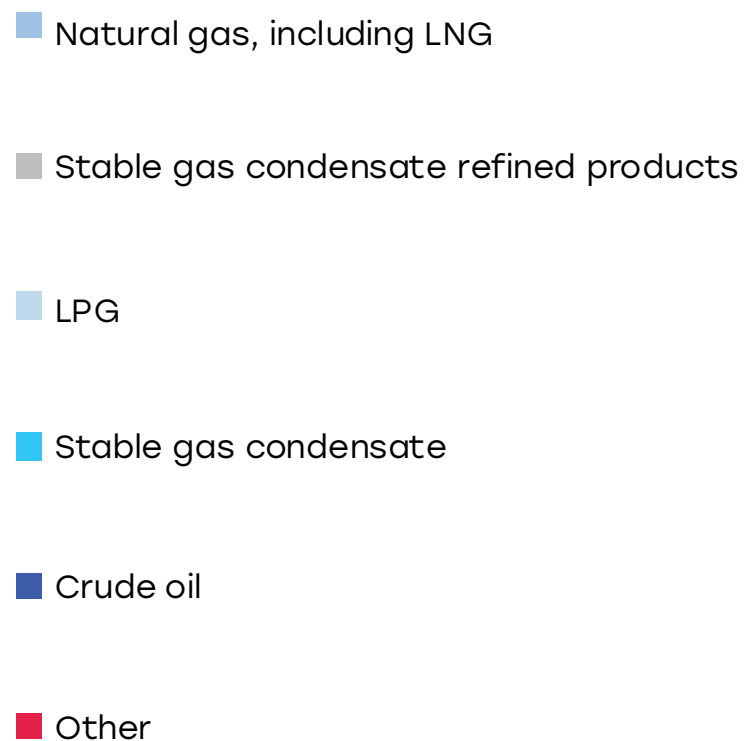
FINANCIAL OVERVIEW – 3Q21 TO 2Q21

Total Revenues

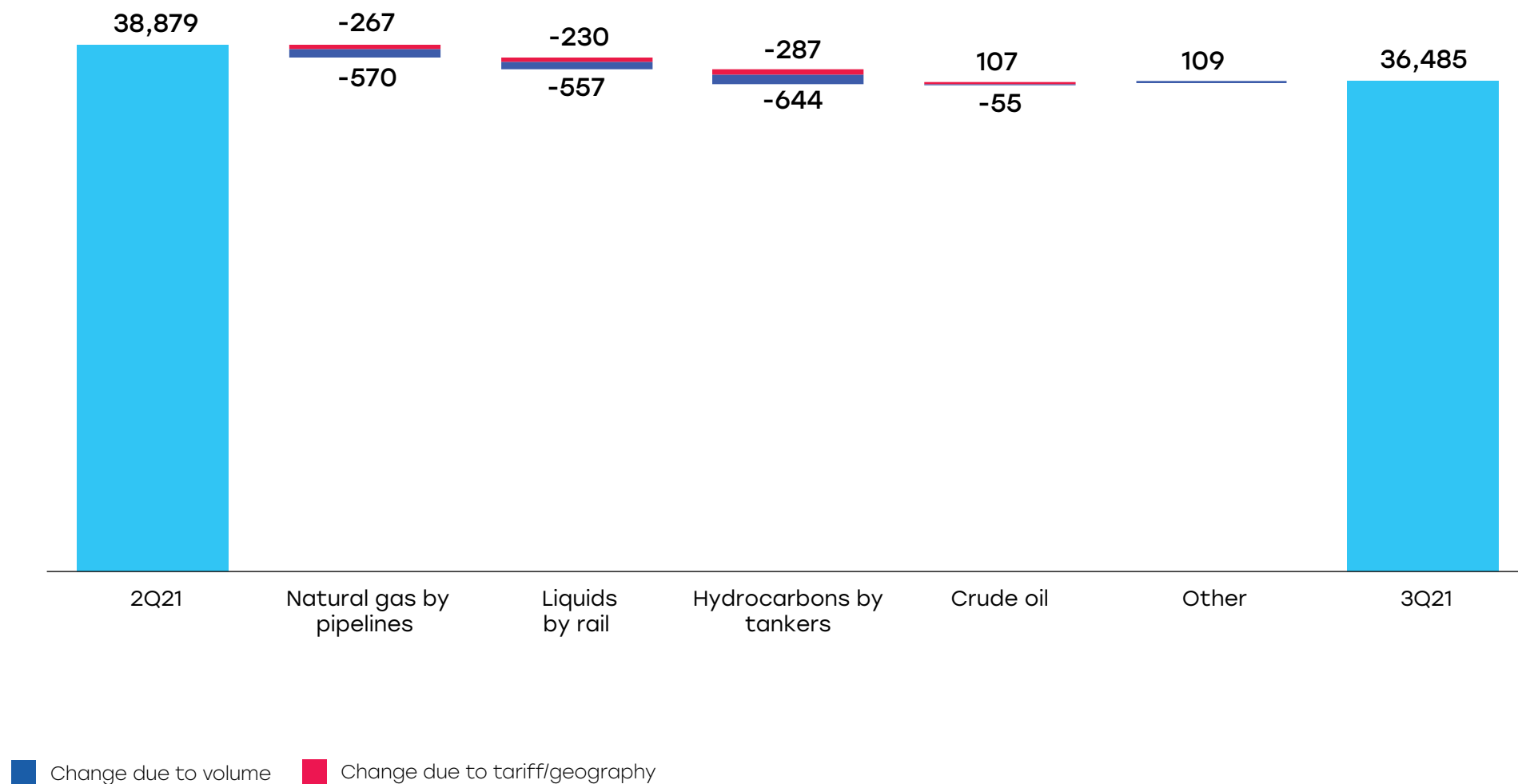
(RR million)



Total Revenues Breakdown

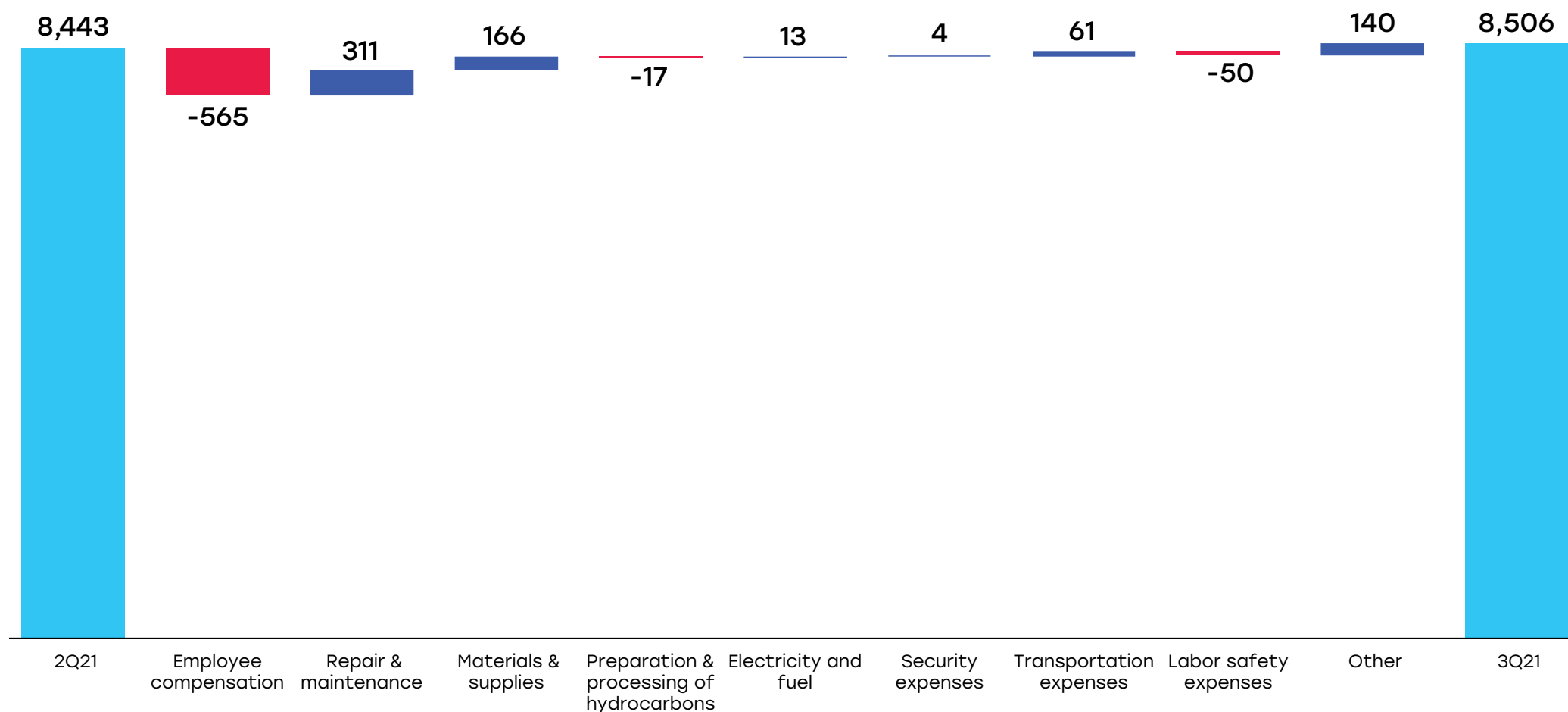


Transportation Expenses (RR million)



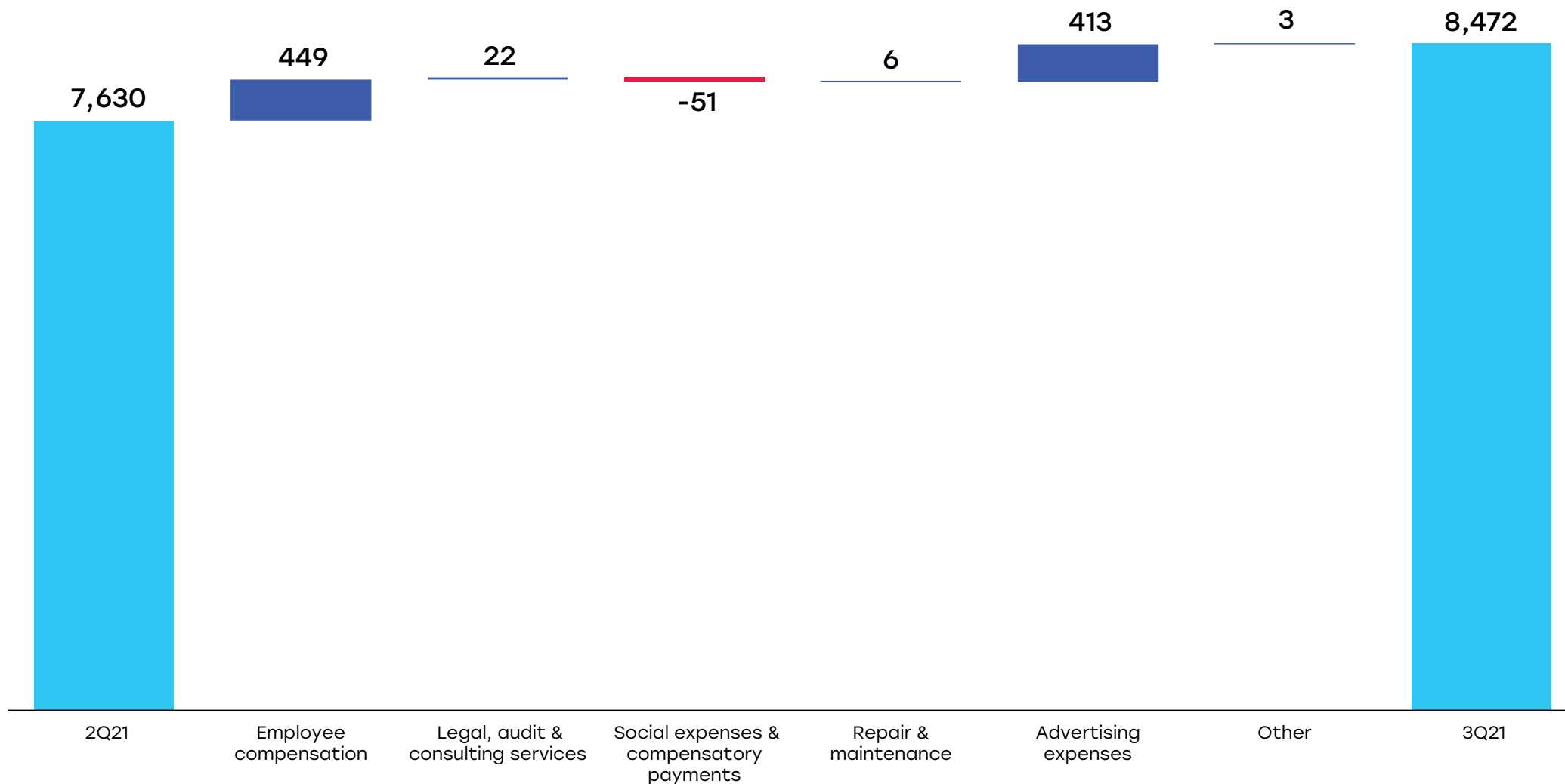
Materials, Services and Other Expenses

(RR million)



General and Administrative Expenses







(RR million)



APPENDICES

Liquids in Tankers

Liquids sales

-  Naphtha
-  Jet fuel
-  Gasoil and fuel oil
-  LPG
-  Crude oil
-  Stable gas condensate

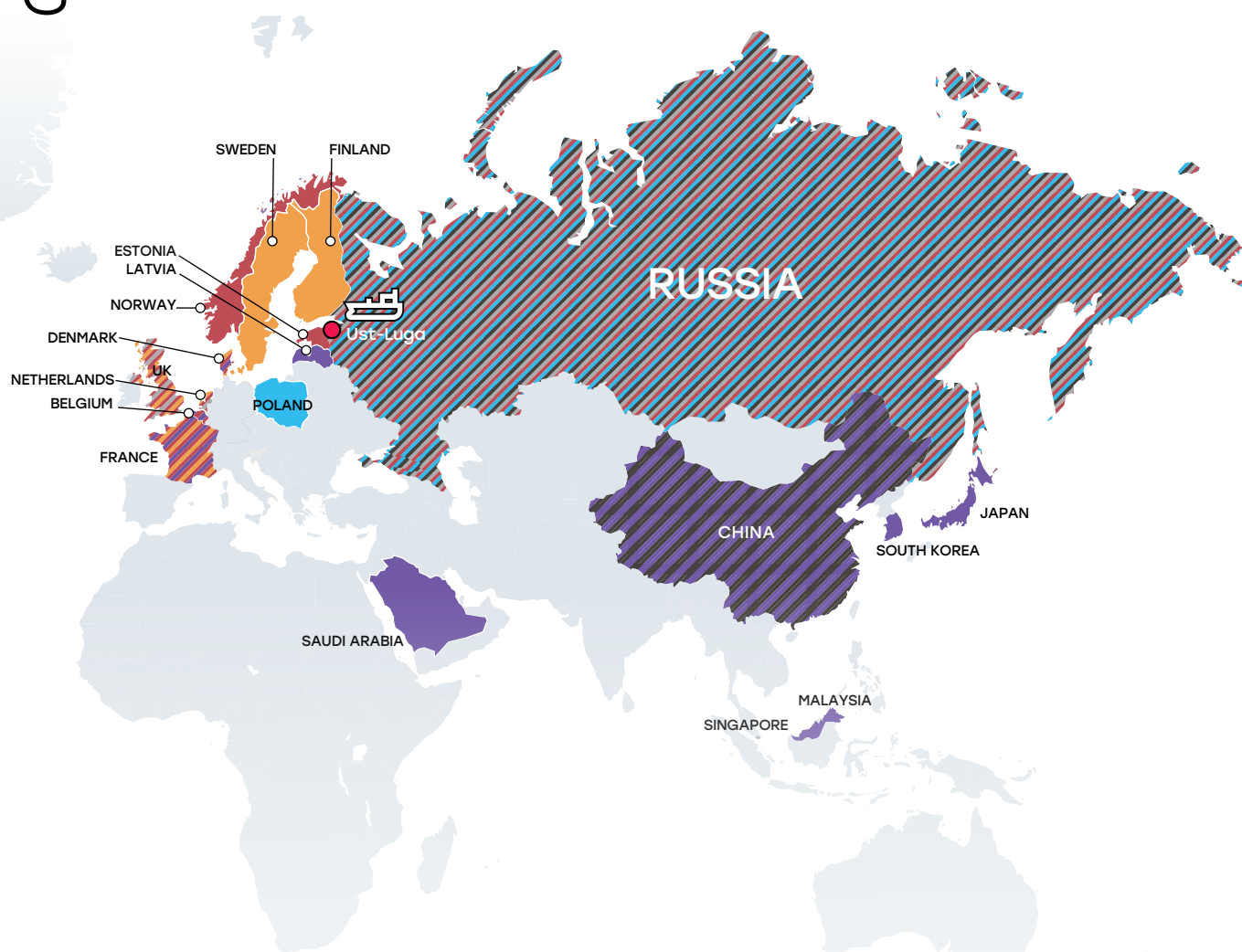
“Goods in transit” 30.09.2020
~ 308 thousand tons



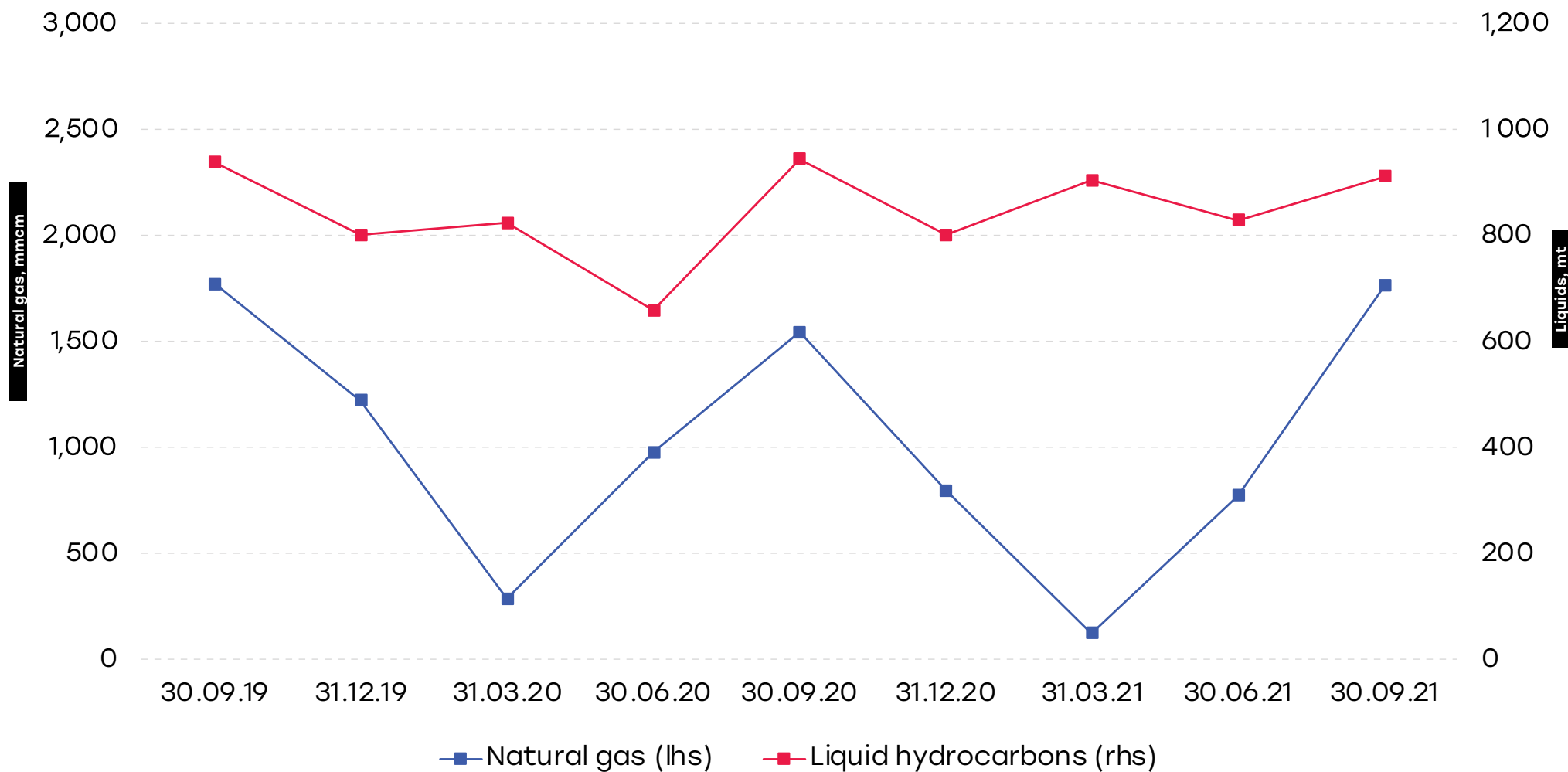
“Goods in transit” 31.12.2020
~ 190 thousand tons



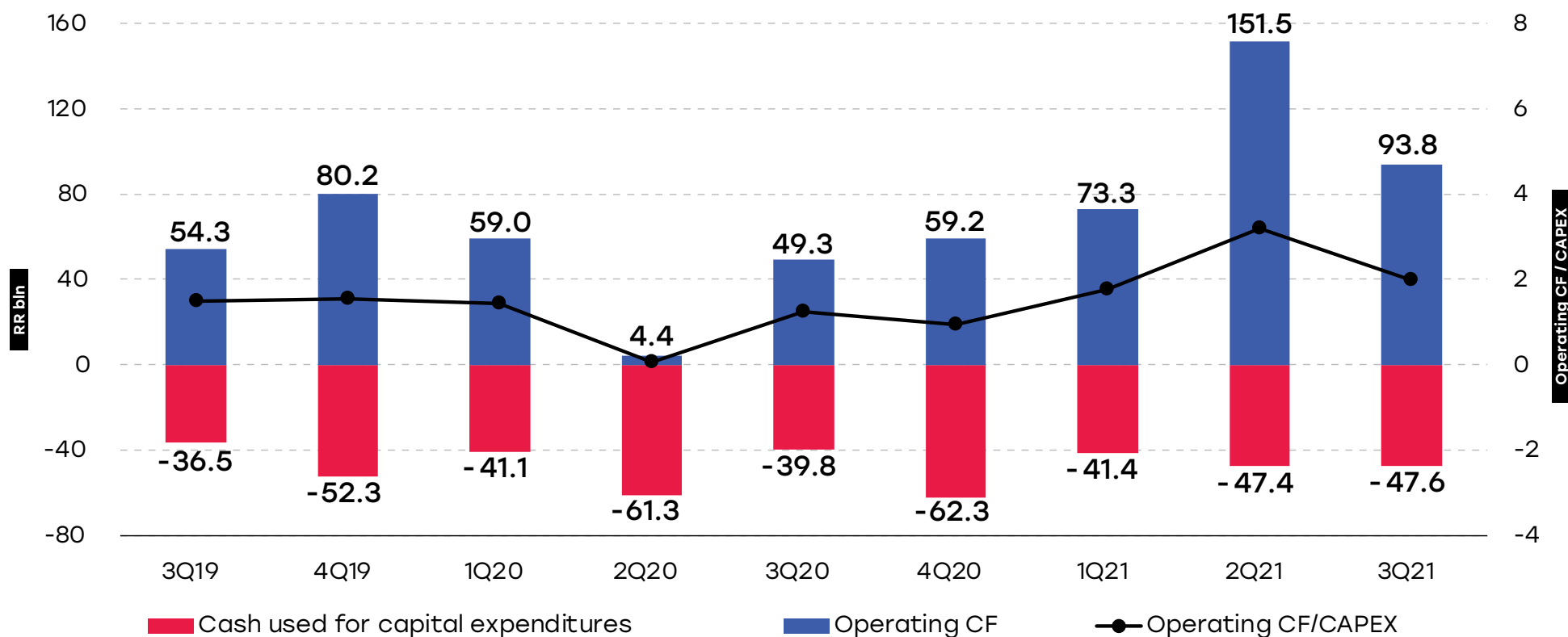
“Goods in transit” 30.09.2021
~ 265 thousand tons



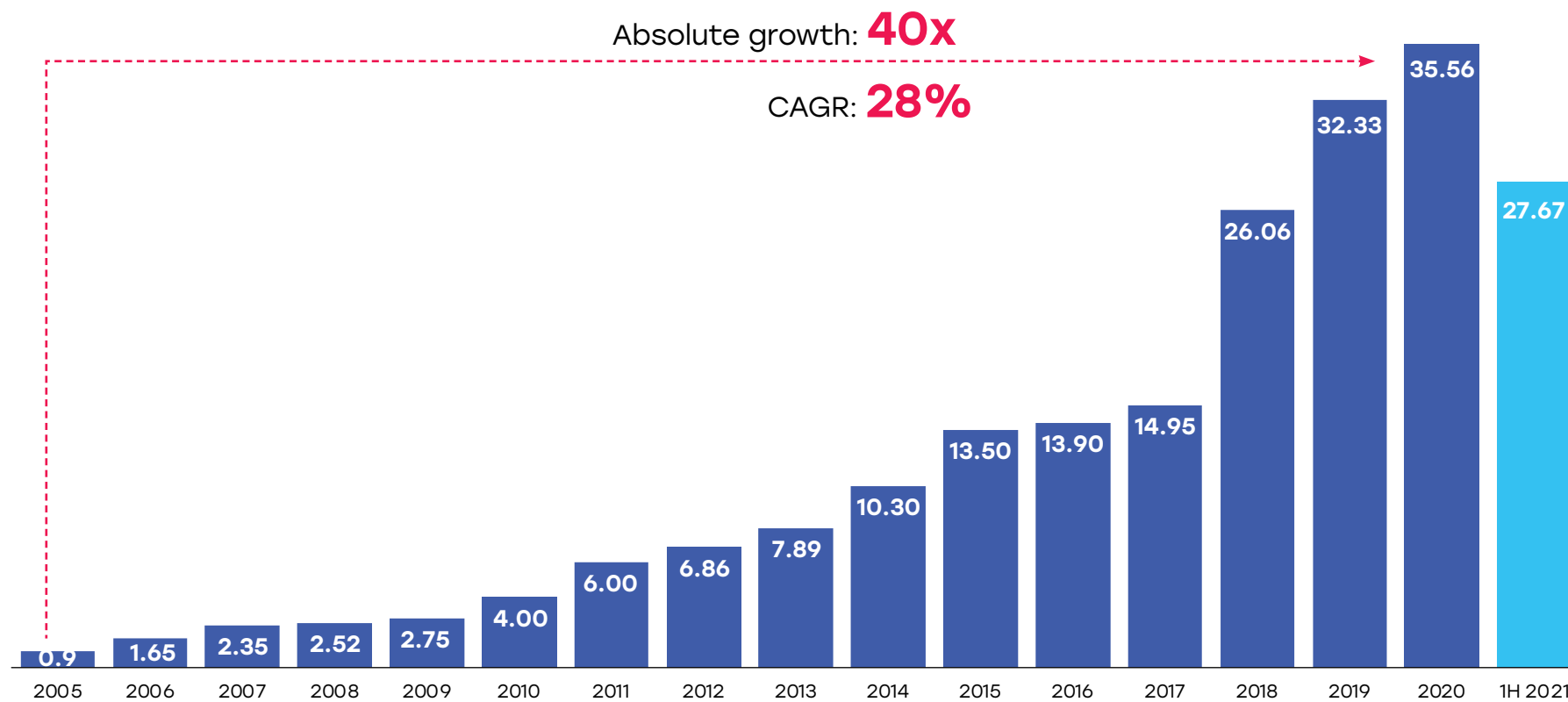
Change in Inventories



Internally Funded Investment Program



Dividend Payout (RR per ordinary share)



COMMITTED TO INCREASING SHAREHOLDER RETURNS

■ Dividends paid ■ Dividends announced

QUESTIONS AND ANSWERS