

Polish Oil and Gas Company

Company Overview



Agenda

- > 1. PGNiG Group & Polish Gas Market
- > 2. PGNiG Segments
 -  > Exploration and Production
 -  > Trade and Storage
 -  > Distribution
 -  > Generation
- > 3. Strategy, CAPEX
- > 4. Appendix



Key events in Q3 2020

07
> July



> PGNiG received USD 1.5bn from Gazprom as a refund of the overpayments for gas supplied in 2014–2020.



> A cooperation and confidentiality agreement was signed with PKN Orlen with respect to the notification of an intended concentration and a due diligence process

08
> August



> The CCGT unit at the Stalowa Wola plant was synchronised to the grid



> A Letter of Intent was signed with PKN Orlen to analyse the feasibility of joint projects to build a gas-fired power plant and a biogas plant

09
> September



> PGNiG increased supplies of natural gas to KGHM Polska Miedź SA. The two companies signed an additional individual contract under their existing framework agreement.



> Acquisition of interest in the Kvitebjørn and the Valemon fields – update of PGNiG Upstream Norway's gas production forecast

Key events in Q4 2020

10
> October



> Approval of agreement with Ørsted Salg & Service A/S for purchase of natural gas by PGNiG Supply & Trading GmbH



> Execution of annex to Note Programme

11
> November



> Submission of preliminary non-binding offer to acquire interest in Fortum Group's assets



> Submission of request to renegotiate the contract price of natural gas supplied by PAO Gazprom and OOO Gazprom Export

12
> December



> President of URE's decision on Retail Tariff of PGNiG Obrót Detaliczny



> Execution of investment agreement on rules governing cooperation in construction of power generation unit at Ostrołęka C Power Plant



> Execution of annex to contract for gas fuel supplies to ORLEN Group

Key events in Q1 2021

5

01
> January



> Release of natural gas and crude oil production forecast for 2021–2023



> Decision by the President of the Energy Regulatory Office regarding the Distribution Tariff of Polska Spółka Gazownictwa – increase in the prices and rates of network fees by an average of 3.6%.

02
> February



> PGNiG Obrót Detaliczny: CNG and LNG sales up in 2020

03
> March



> Execution of a conditional agreement for the acquisition of INEOS E&P Norge by PGNiG Upstream Norway

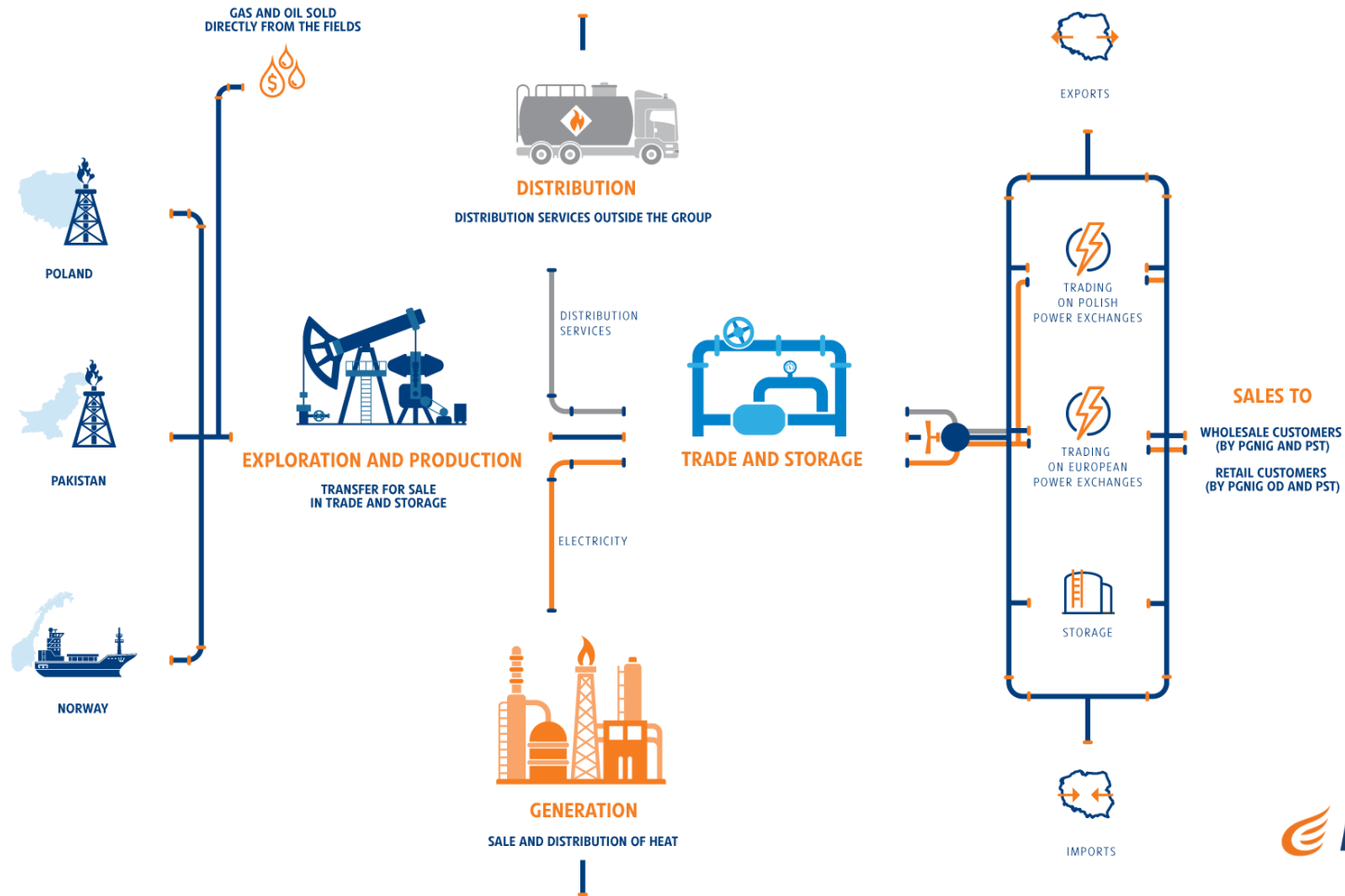


> PGNiG S.A. and the Naftogaz Group sign a letter of intent concerning cooperation in exploration for and production of Ukrainian hydrocarbon resources



PGNiG Group and Polish Gas Market

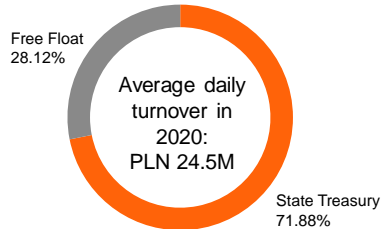
Poland's no.1 integrated group in the oil and gas sector



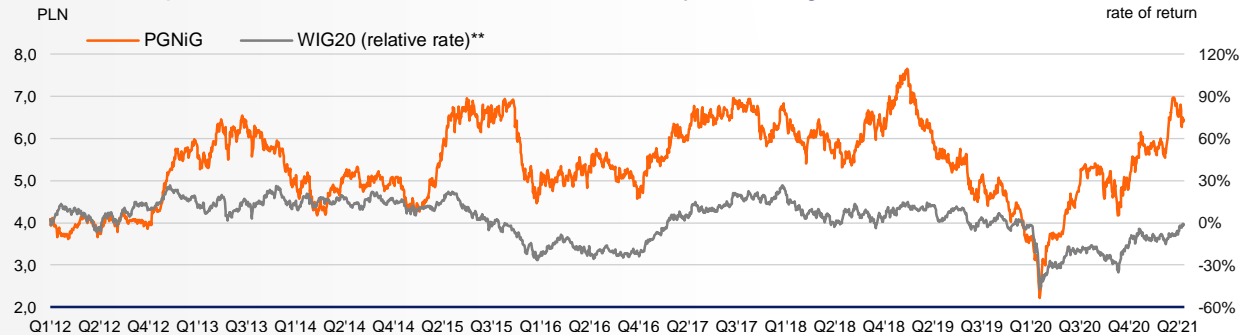
4th largest Polish company on the Warsaw Stock Exchange*

- > Listed on WSE since September 2005
- > Market cap, of PLN 37.4bn (EUR 8.3bn, USD 10.1bn)*
- > Share in WIG20***: 8.50%

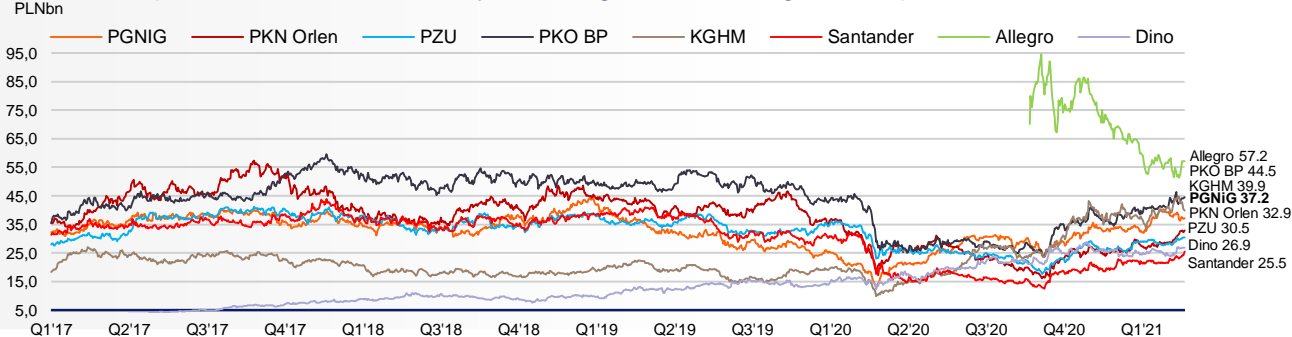
- > Shareholders (December 31th, 2020)



- > The share price of PGNiG and WIG20 from January 2012 together with the rate of return



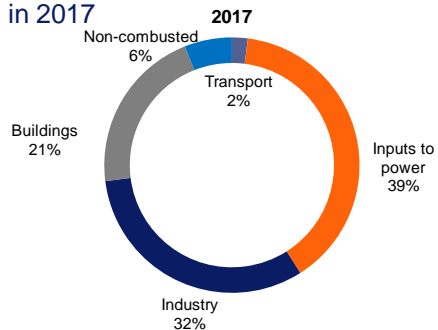
- > Market cap. of PGNiG from January 2017 together with largest companies on the WSE



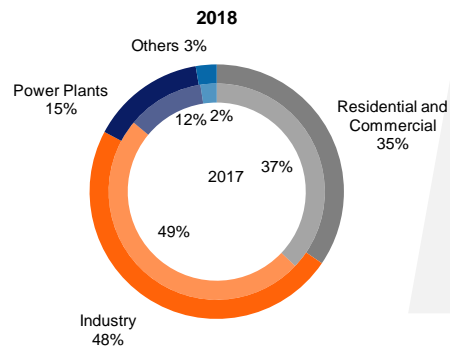
* In terms of market cap as at 18th of May 2021 (without dividend): PGNiG = 6.47 EUR/PLN = 4.5272, USD/PLN = 3.7050
 ** WIG20 quotation chart, taking into account relative changes in percentage in relation to the PGNiG stock price (as at May 18th 2021)
 *** In terms of market cap as at 18th of May 2021 (without dividend): PGNiG = PLN 37.4bn WIG20 = PLN 439.6bn

Gas market in Poland: Low consumption with growth potential

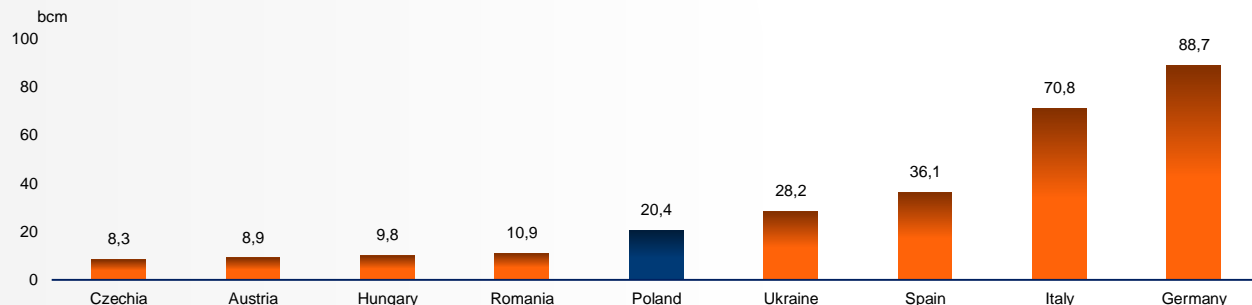
> Natural gas sales by sector in the world in 2017



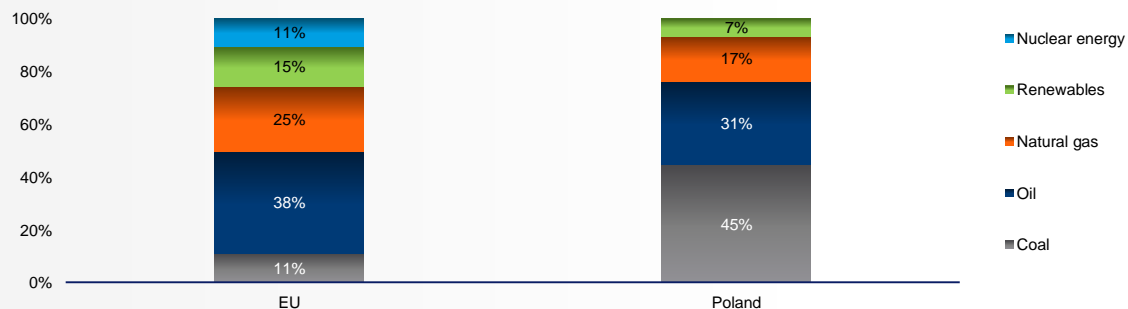
> Natural gas sales by sector by PGNiG in Poland in 2018 and 2017



> Natural gas consumption by country in 2019

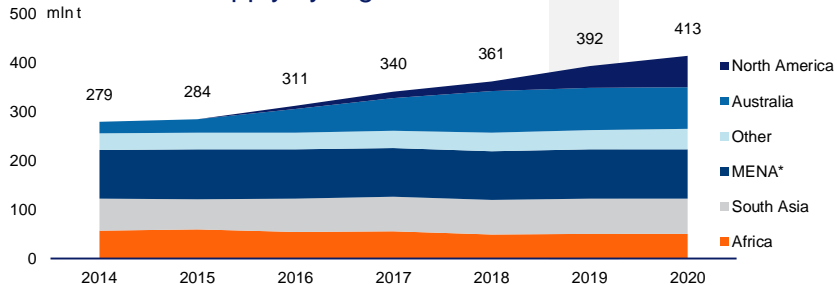


> Primary energy consumption by fuel (data for July 2020)

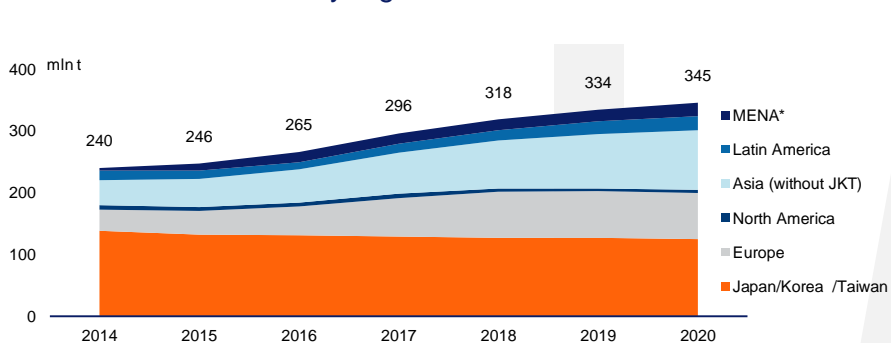


Gas market worldwide

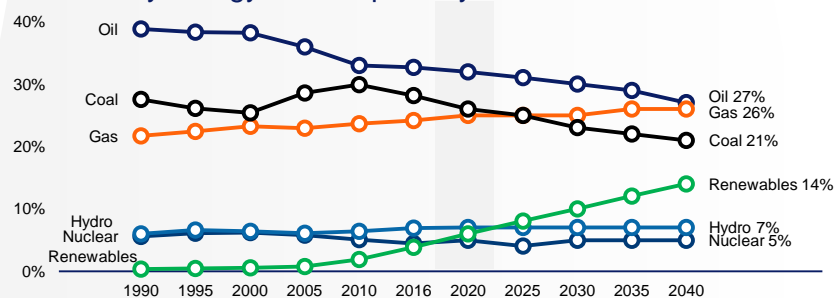
> Annual LNG supply by region



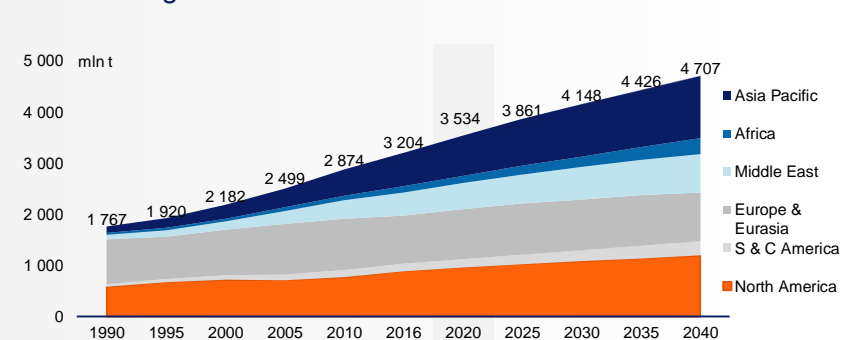
> Annual LNG demand by region



> Primary energy consumption by fuel



> Natural gas demand



* Middle East-North Africa / Source: IHS, BP Energy Outlook 2018

Exploration &
Production



Trade & Storage



Distribution



Generation

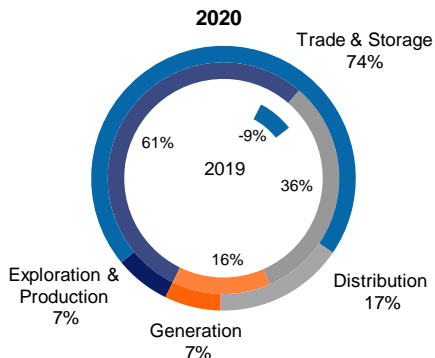


Operating segments of PGNiG Group

PGNiG Group's financials 2010-2020

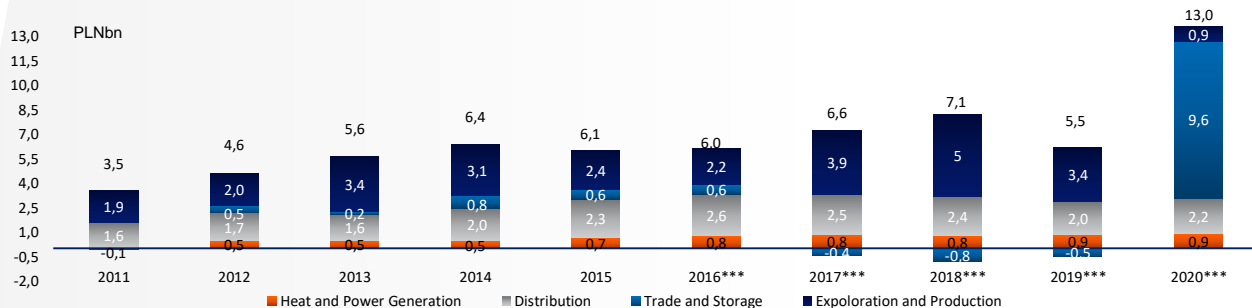
- > 6th biggest company in Central and Eastern Europe*
- > 3rd biggest oil company in the region*
- > Stable EBITDA level due to diversified inflows sources

> EBITDA breakdown**

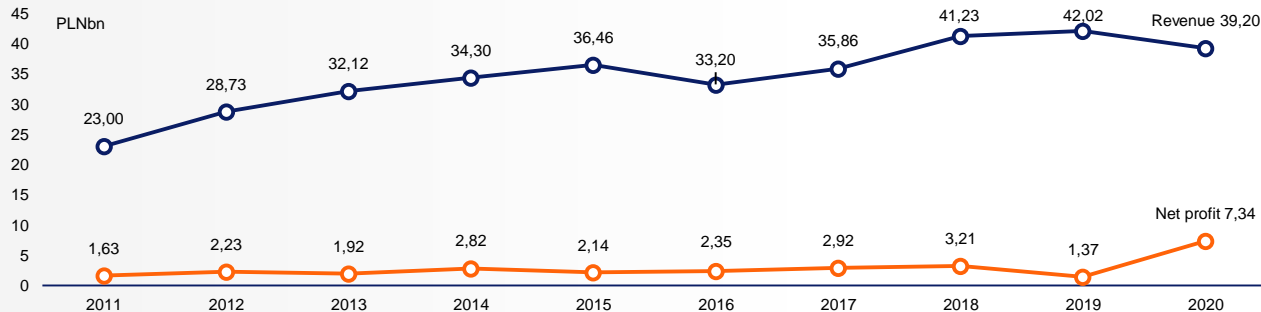


Other segments' contribution to EBITDA in 2020: -5%; in 2019: -4%

> PGNiG Group's EBITDA**



> PGNiG Group's revenue and net profit



*Source: TOP 500 CEE 2020

** EBITDA 2010-2015 before intra-group eliminations and excluding „Other segments” / T&S segment EBITDA for 2020 includes the one-off effect of settlement under the annex to the Yamal contract of PLN 5,689m and an exchange gain arising on measurement of the settlements (PLN 300m)

*** restated, other segments not presented on chart

Leader in production of gas and crude oil in Poland



> PGNiG's resource base in Poland**:

- > proved gas reserves: 567 mm boe (88.0 bcm)
- > proved oil reserves: 107 mm boe (14.6 m tonnes)

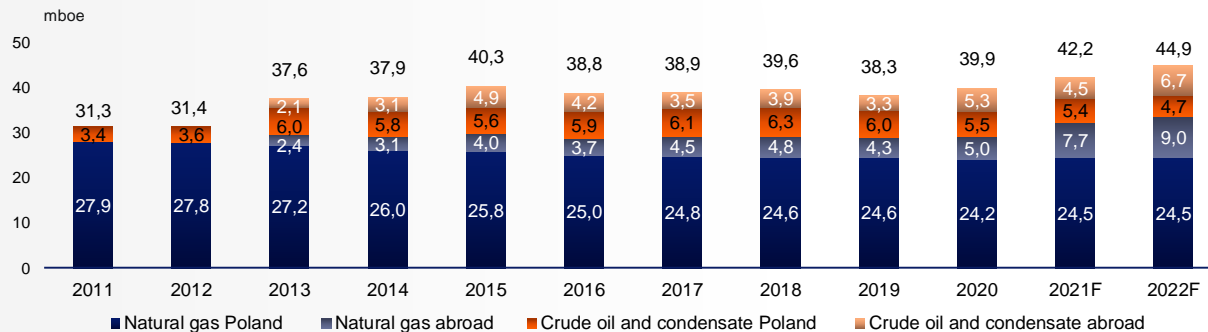
> Oil & Gas concessions in Poland**:

- > 11 exploration/appraisal
- > 36 combined licences

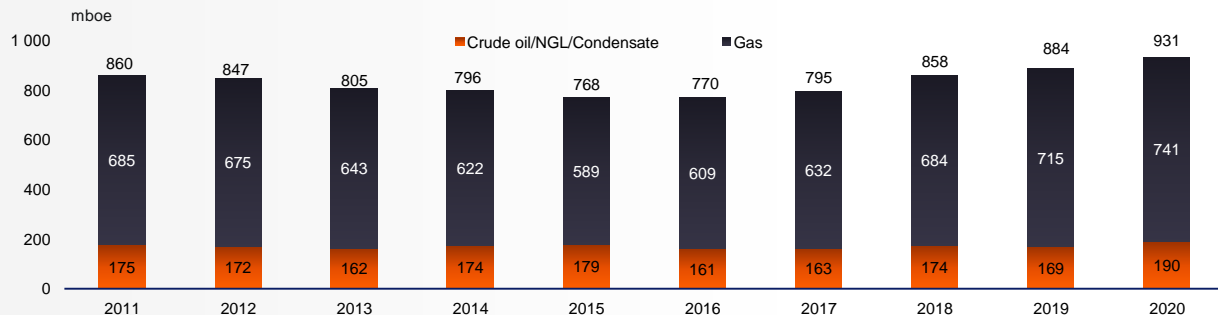
> Exploration & Production activities:

- > 53 production facilities in Poland
- > over 2 thousand producing wells

> Production volumes*



> Reserves of natural gas and crude oil

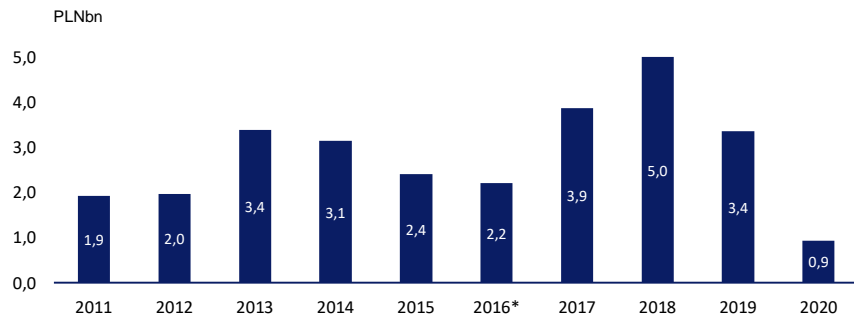


*High-methane gas equivalent / **As at December 31st 2020

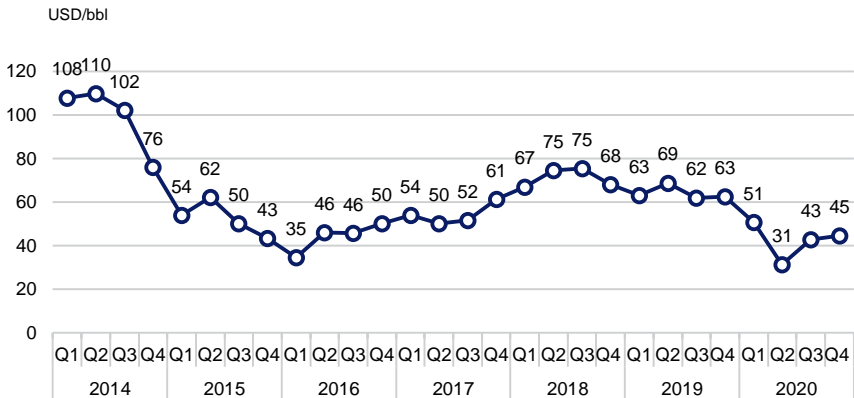
Exploration & Production financial results



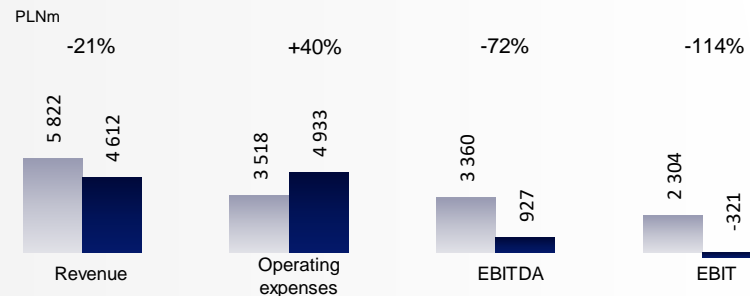
Exploration and Production's EBITDA



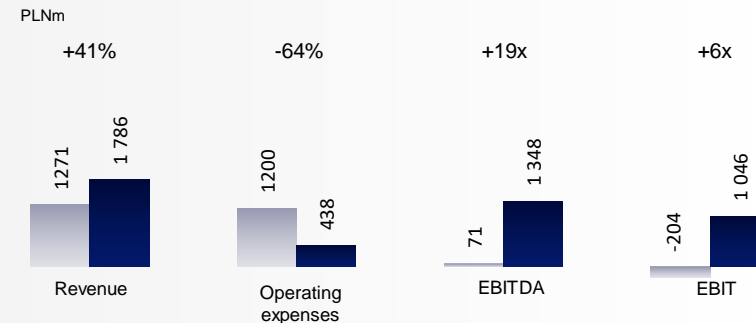
Average prices of Brent crude oil



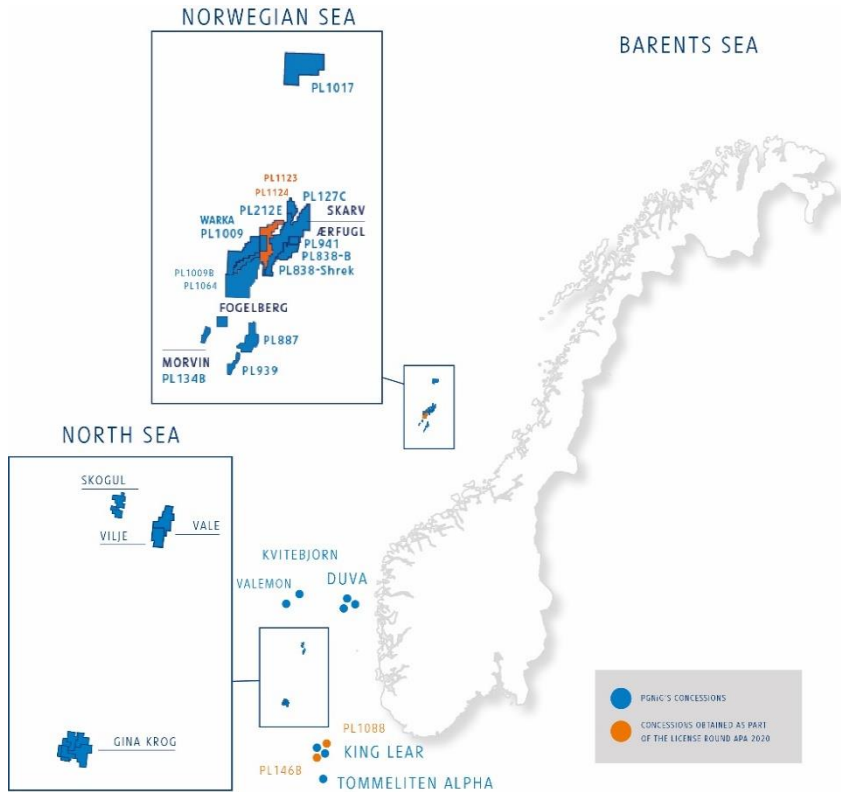
Segment's results for FY 2019 vs FY 2020



Segment's results for Q1 2020 vs Q1 2021



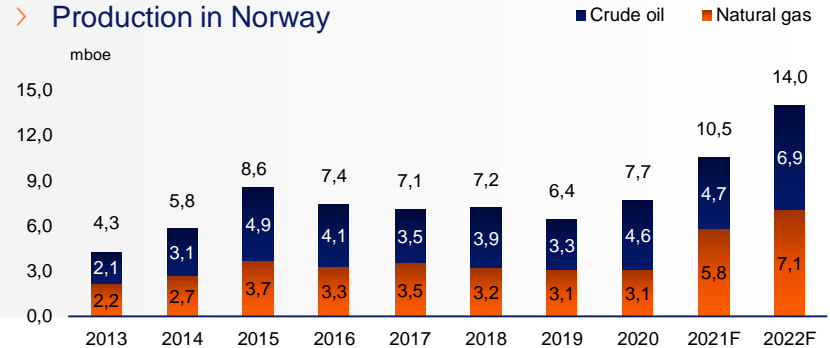
International E&P activities – Norway



> Reserves in Norway (as at December 31th, 2020)

	Natural Gas	Crude Oil & NGL	TOTAL (mboe)
Skarv	10.6	5.9	16.5
Ærfugl & Snadd Outer	23.4	7.5	30.8
Gina Krog	8.7	6.4	15.1
Vilje	0.0	3.3	3.3
Vale	0.6	0.3	0.9
Morvin	0.7	1.1	1.7
Tommeliten Alpha	40.7	17.8	58.4
Skogul	0.2	1.9	2.1
Duva	15.4	11.9	27.3
King Lear	14.8	20.6	35.4
Kvitebjorn	9.4	2.1	11.6
Valemon	1.0	0.1	1.1
Shrek	2.2	3.8	6.0
Alve Nord	3.5	1.8	5.3
Total	131.2	84.5	215.7

> Production in Norway



Together with its partners PGNiG Upstream Norway produces hydrocarbons from the Skarv, Morvin, Vilje, Vale, Gina Krog, Skogul, Kvitebjorn and Valemon fields and works on the development of the Ærfugl, Duva and Snadd Outer fields. Development of the Tommeliten Alpha, Shrek, Alve Nord and King Lear fields is at the concept phase.





International E&P activities – Pakistan and other

> Assets: Pakistan

agreement	May 18th 2005
shares	PGNiG 70%, Pakistan Petroleum 30%
area	956 sq km
location	Sindh province, folded belt Kirthar
obligations	10 wells, 2D and 3D seismic
	6.64 bcm of natural gas
estimated reserves	(4.88 bcm/31.4 mboe Rehman, 1.76 bcm/11.4 mboe Rizq)



Gas from the Rehman and Rizq fields is produced via facilities located in the Rehman field. PGNiG's share in the production from the Rehman and Rizq fields, carried out from ten wells in 2020, amounted to some 295 mcm of gas (measured as high-methane gas equivalent). Positive results were obtained from the Rizq-3 production well (work commenced in July 2019). Rehman-7 well is currently during depositions tests (work commenced in February 2020). In total, more than 2.96 km were drilled in the Rehman-7 well.

> Other foreign activity in 2020

Seismic works:

- > Seismic data acquisition in: Poland, Bulgaria, Croatia, Germany, Mozambique, the United Arab Emirates.
- > Seismic data processing and interpretation in: Poland, the Netherlands, the United Arab Emirates, Pakistan, Colombia, Mexico.

Drilling works:

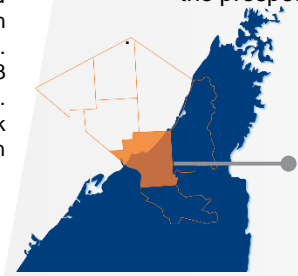
- > Main drilling areas: Pakistan, Chad, Kazakhstan, Ukraine.

Libya

- > Since 2008, one license for mining (LC113), but in mid-2014, a force majeure notification.
- > In 2017-2019, activities limiting the impact of force majeure and verification of the prospects of the license.

UAE

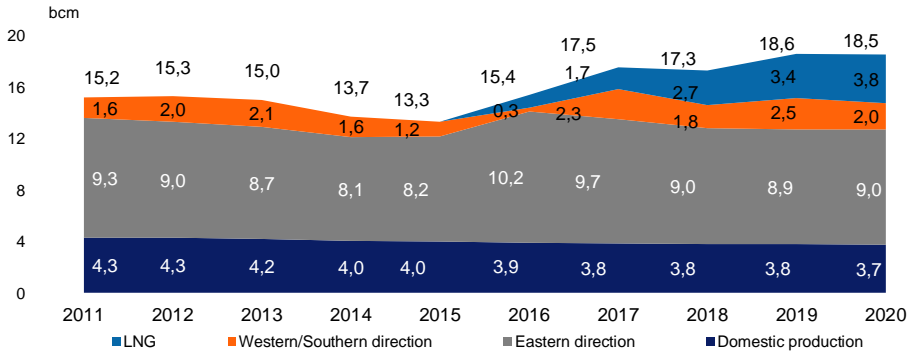
- > In December 2018, acquisition of rights to explore for, to appraise and to produce hydrocarbons in Ras Al Khaimah Emirate.
- > In January 2019 contracts between PGNiG and its partners (RAKPA and RAK Gas) were signed. As a result, PGNiG acquired a 90% interest in Block no. 5 with an area of 619 sq km.
- > PGNiG Branch obtained license to conduct operations and commenced seismic surveys.



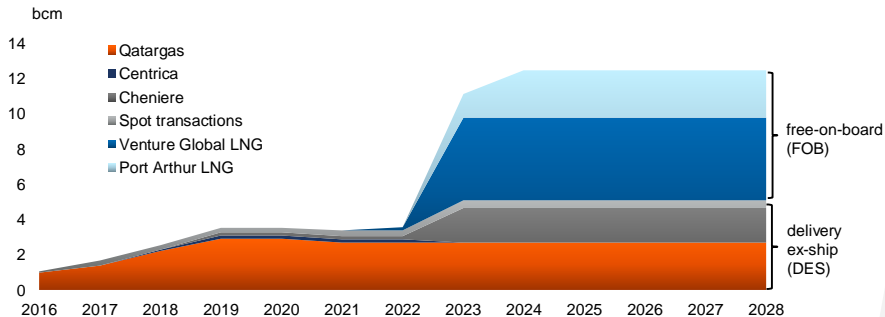
Gas supply & sales



> Sources of gas supply of PGNiG SA in Poland



> LNG Portfolio of PGNiG Group

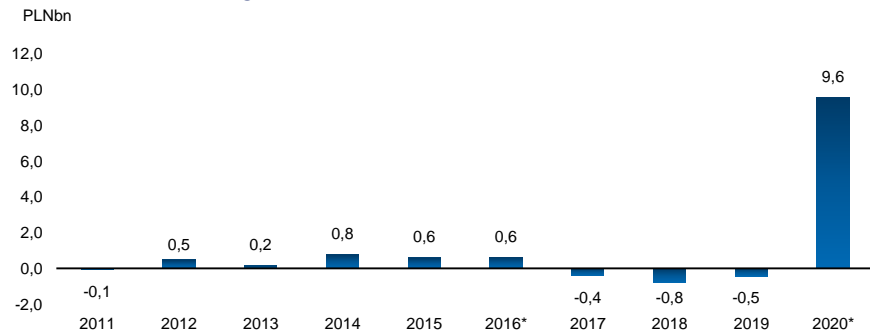


- > Contract for natural gas deliveries with Gazprom („Yamal contract”) until 2022:
 - > 10.2 bcm annually, 85% Take-or-Pay
- > Contract for LNG with Qatargas until 2034:
 - > 1.3 bcm annually, 100% Take-or-Pay. Deliveries since June 2016
 - > side agreement (the total volume will increase to 2.7 bcm per annum, in 2018-2020 volume will be increased to 2.9 bcm)
- > Contract for LNG with Cheniere until 2042:
 - > 0.73 bcm in the period of 2019-2022
 - > 1.95 bcm annually in the period of 2023-2042
- > Contracts for LNG with Venture Global and Port Arthur:
 - > 7.4 bcm annually. Deliveries at the earliest since 2022 until 2043
- > 4.5 bcm of gas sold by PGNiG Supply & Trading to customers in 2020
- > Tariffs:
 - > Gas sales: Cost of gas + operating costs + margin
 - > Retail: PGNiG Retail's cost base including cost of gas on the commodity exchange (from 1st May 2021 to 31st December 2021, average gas fuel price up 5.6%)
 - > Storage: Cost + return on capital (6.0% WACC x PLN 3.3bn RAB) (since May 2020)

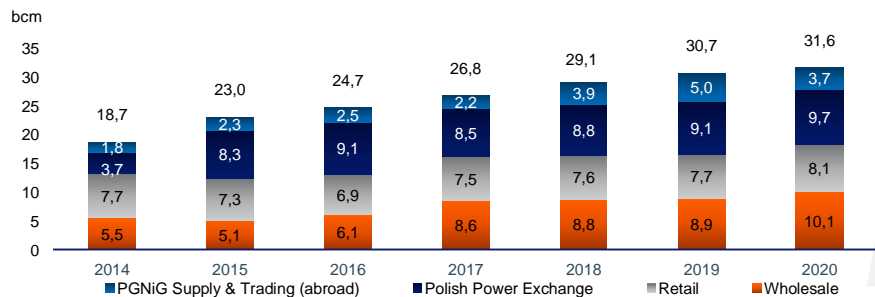
Trade & Storage's financial results



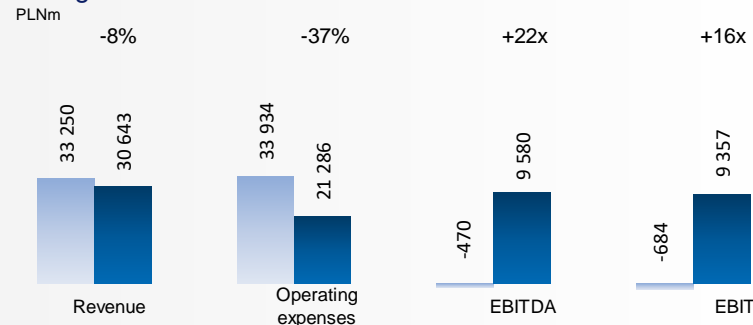
> Trade and Storage's EBITDA



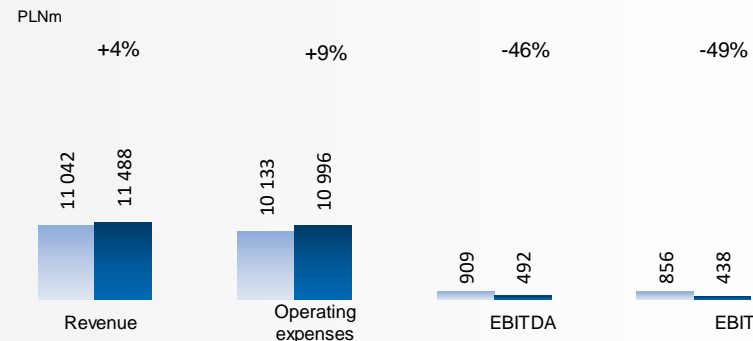
> Sales of natural gas of PGNiG SA, PGNiG Retail and PST



> Segment's results for FY 2019 vs FY 2020



> Segment's results for Q1 2020 vs Q1 2021

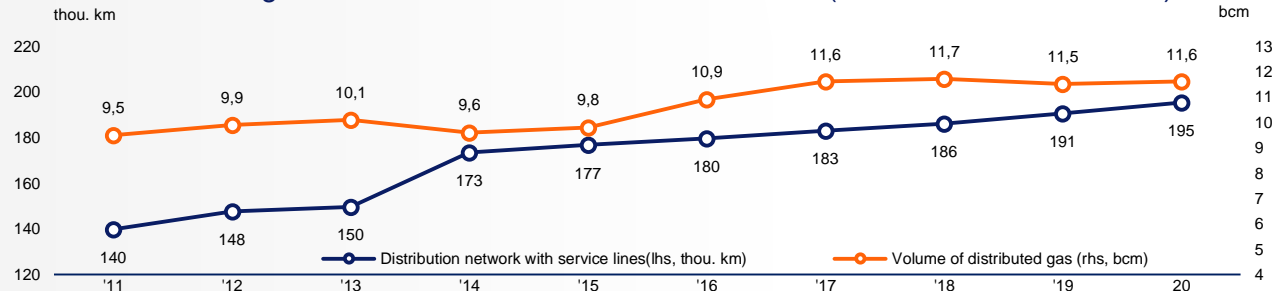


Distribution



- > The owner of approximately 97% of Poland's distribution network and nearly 99% of the gas service lines*.
- > Transports natural gas from gas sellers to households, industrial and wholesale customers.
- > Responsible for operation, maintenance and development of gas pipelines.
- > Segment comprises of Polska Spółka Gazownictwa (PSG).

> Stable network's growth and increase of distributed volumes (+2.2% CAGR 2005-2020)



> Coverage of distribution network (ca. 67,3% of Poland)



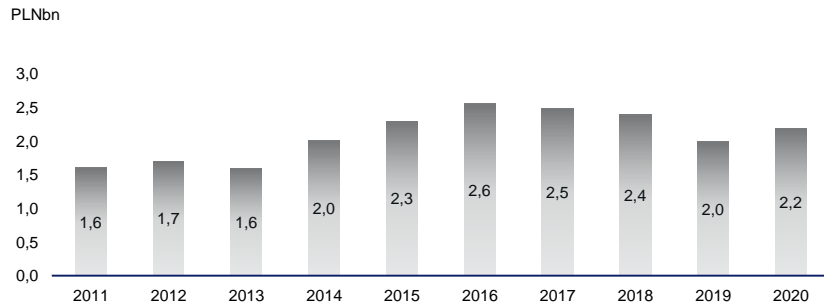
- > **Tariff:**
 - > Tariff No. 9 approved by the President of the Energy Regulatory Office in January 2021 and has applied from February 2021.
 - > Cost + return on capital (5.5% WACC x PLN 14.3bn RAB)

* As at December 31st 2017

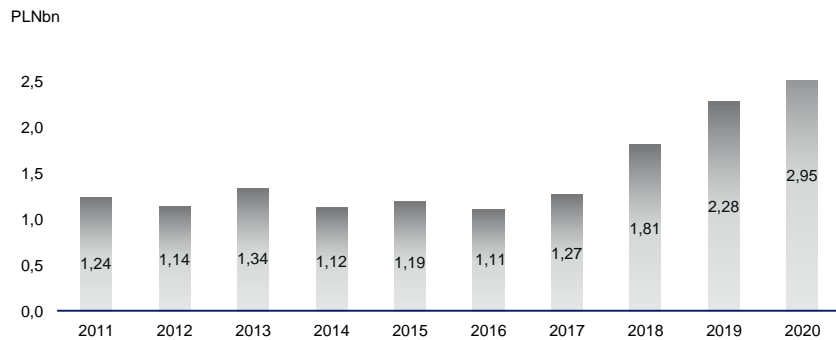
Distribution's financial results



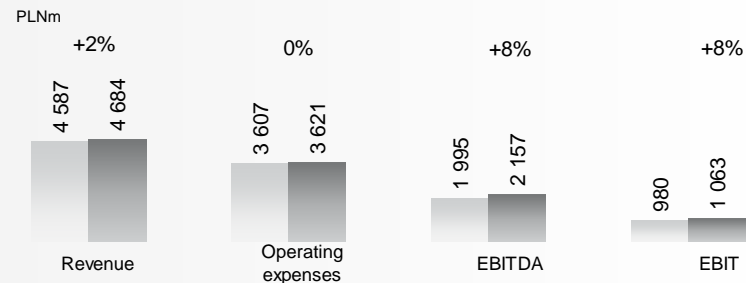
> Distribution's EBITDA



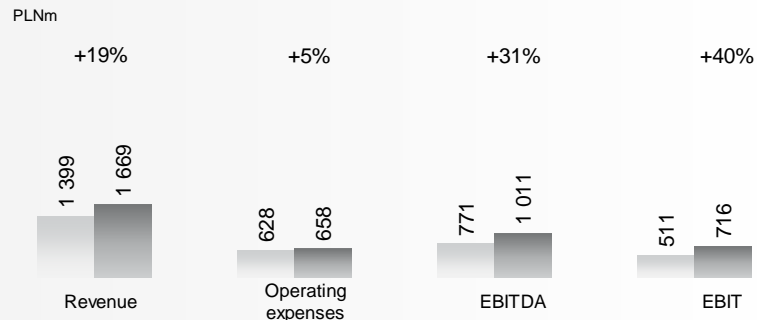
> Segment's CAPEX



> Segment's results for FY 2019 vs FY 2020



> Segment's results for Q1 2020 vs Q1 2021



Heat and Power Generation

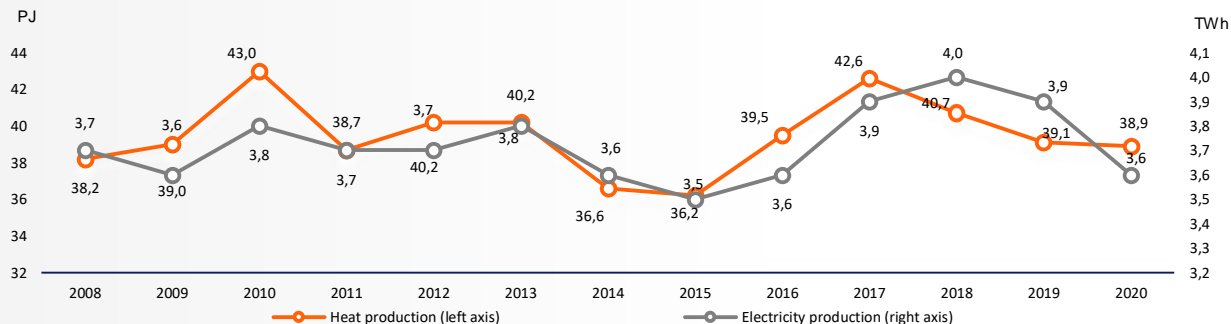


- > Share on the domestic market*:
 - > heat power 10%
 - > volume of heat sales 11%
- > Share on the Warsaw market:
 - > largest producer of heat and electricity in cogeneration
 - > estimated coverage of total heat demand about 70%
 - > estimated total electricity demand around 50%
 - > heat supplied to the city network about 98%.
- > Tariff:
 - > Heat tariffs benchmarking scheme creates significant upside for profitability as PGNiG Termika produces low-cost heat

PGNiG Termika Group operating data

Installed heat power	5.2 GWt
Installed electric power	1.2 Gwe
Heat sales in 2020 (regulated)	38.9 PJ
Produced electricity sales in 2020	3.6 TWh

> Production of heat and own generation electricity

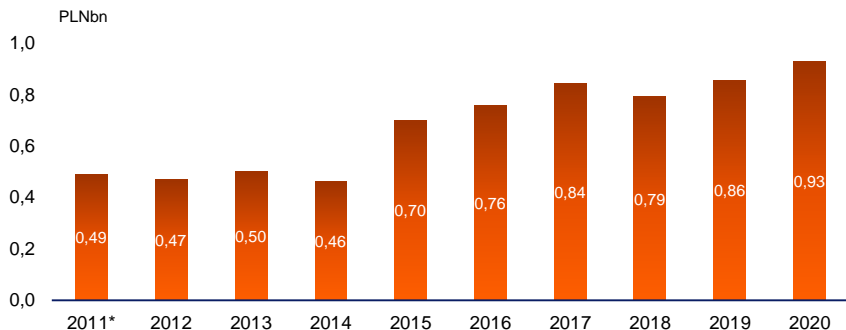


* Source: Thermal energy in numbers 2018

Generation's financial results



> Generation's EBITDA



> Investments

> Combined Heat and Power Plant Stalowa Wola (Q3 2020).

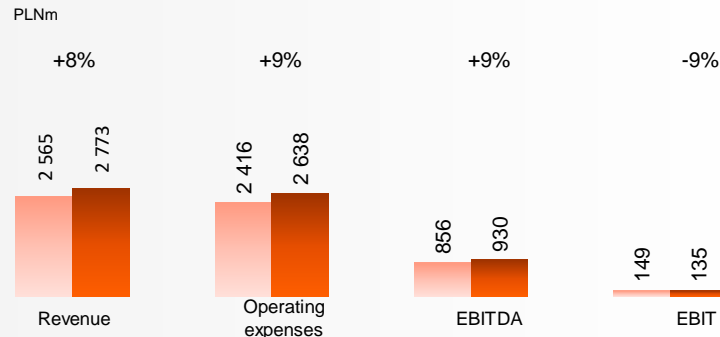
- > JV PGNiG and Tauron Polska Energia. Total CAPEX PLN 1.6bn
- > Agreement for Sale of Electricity. PGNiG to supply 0.5 bcm of gas for 14 years
- > Total power output: 450 MWe and 240 MWt

> Gas-fired generation unit at Ostrołęka CCGT.

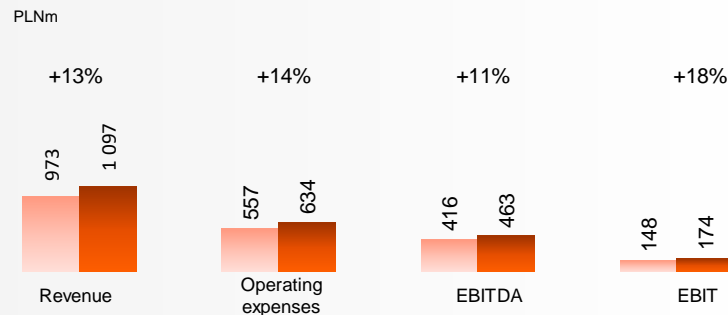
- > Investment agreement between PGNiG, Energa and PKN ORLEN for cooperation in the construction of a gas-fired generation unit (December 22nd 2020). Proceedings before the UOKiK for approval of formation of the joint venture is pending.

> 500 MWE gas-fired block in Warsaw at Żerań plant (Q3 2021).

> Segment's results for FY 2019 vs FY 2020



> Segment's results for Q1 2020 vs Q1 2021



* 2011 according to Polish accounting standards; 2012-2013 data before intercompany eliminations.



Strategy, CAPEX

PGNiG Group Strategy for 2017-2022

The PGNiG Group Strategy for 2017–2022 (extended until 2026)

#1

Mission statement

We are a trustworthy supplier of energy for households and businesses

Trustworthy

The customers can depend on premium quality and reliability of our services

Energy supplier

Our customers are offered a full range of energy products (gas + electricity + heat + other/services)

Households and businesses

We care for and value all our customers: households, businesses, and institutions

#2

Vision

We are a responsible and effective provider of innovative energy solutions

Responsible

We act transparently, in line with the principles of corporate social responsibility

Effective

We have implemented process and cost optimisation measures

Innovative solutions

We are an innovation leader in the energy sector

#3

Primary objective

Increasing the PGNiG Group's value and ensuring its financial stability

Value growth

Our primary ambition is to create added value for our shareholders and customers

Financial stability

We seek to secure long-term financial stability and creditworthiness



The Group's key strategic objectives

Strategic objective:

competitive position while supporting the development and ensuring security of the gas market
in Poland

PGNiG's strong competitive position

Securing new gas supply sources to strengthen the Group's competitive position following expiry of the Yamal contract in 2022

Production projects in Norway focused on increasing annual gas output to ca. 2.5 bcm from 2022 onwards

Participation in the Norwegian Corridor project to secure direct gas imports from Norway

Developing gas and LNG trading functions to make PGNiG more competitive on gas markets in Europe and in Poland

Increase
the PGNiG Group's
value and ensuring
its financial
stability

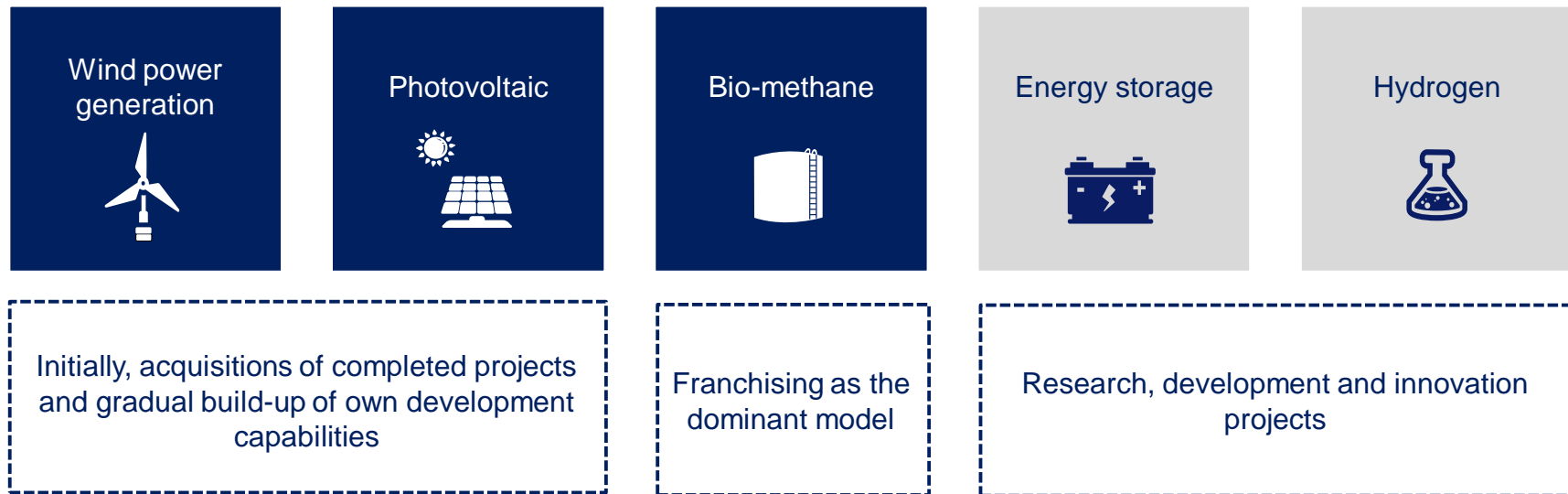
Development of gas market in Poland

More rapid expansion of distribution network in order to enable more new customer connections and gas market growth

Expanding the upstream business in Poland to replenish hydrocarbon reserves and to maintain high levels of production

Significant improvement of customer service quality through digitalisation of service channels and expansion of the product portfolio expansion

PGNiG Group's areas of interest within the RES segment



At the PGNiG Group, a team of seasoned RES experts and analysts are looking into other potential areas for growth.

Based on its analyses and strategic model simulations, the PGNiG Management Board decided to allocate **up to PLN 4bn** over a period beyond PGNiG's strategic 2022 time horizon to the implementation and acquisition of projects related, among other things, to RES generation. Ultimately, this will help the Group achieve generating capacity of **up to 900 MW**, making PGNiG one of the leading producers of energy from renewable sources in Poland.

Ambitions in the key business areas



1. Exploration and Production

- > Increase the base of documented hydrocarbon reserves by 35% (to 1,208 mm boe in 2022)
- > Increase annual hydrocarbon production by 41% (to 55 mm boe in 2022)



2. Wholesale

- > Diversified gas supply portfolio after 2022
- > Increasing the overall volume of natural gas sales by 7% (to 178 TWh in 2022)
- > Cumulative natural gas sales volume on wholesale markets in Poland and abroad 1000 TWh



3. Retail

- > Maximising retail margins
- > Maintaining the total volume of retail gas sales at ca. 67-69 TWh/year



4. Storage

- > Securing access to storage capacities adjusted to actual demand
- > Improve storage efficiency



5. Distribution

- > More than 300 thousand new service lines in 2017–2022
- > The annual growth rate in the number of service lines by 17%
- > Increase gas distribution volume by 16% (to 12.3 bcm in 2022)



6. Power and Heat Generation

- > Increase power and heat sales volumes by 20% (to 18 TWh in 2022)

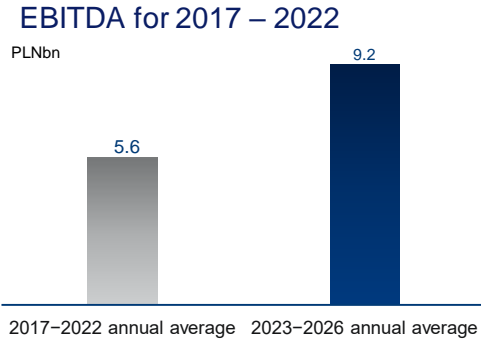


7. Corporate Centre

- > Effective execution of R&D&I projects
- > Operational efficiency improvement across the PGNiG Group
- > Enhancing the PGNiG Group's image

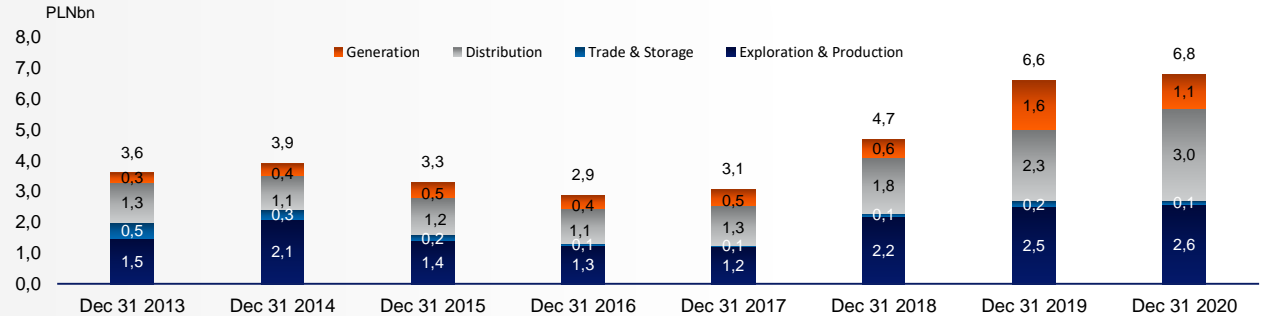
CAPEX and EBITDA for 2017-2022

- > Average annual capital expenditure in 2017–2022 at ca. PLN 5.7bn.

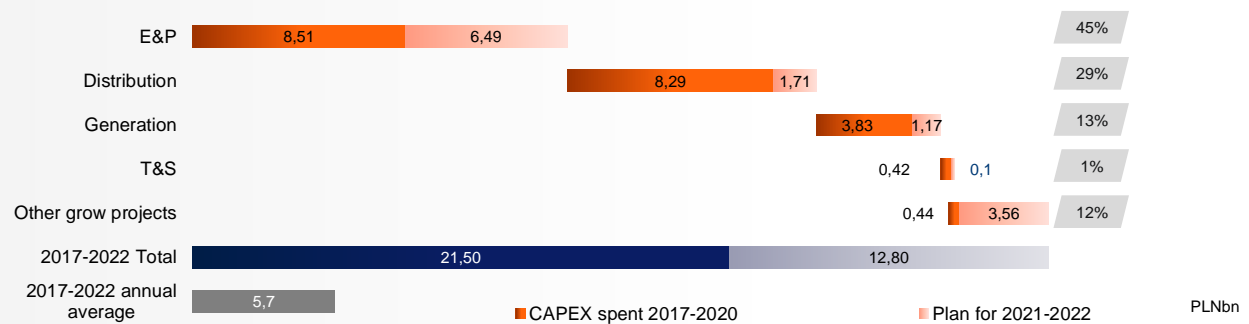


- > PLN 33.7bn cumulative EBITDA
- > Ambitious investment programme: long-term growth of the Group's EBITDA, particularly in 2023–2026 (at the annual average of ca. PLN 9.2bn)
- > Keeping debt at safe levels (net debt/EBITDA below 2.0)

> Annual CAPEX 2013 – 2020



> CAPEX breakdown for 2017-2022



Appendices

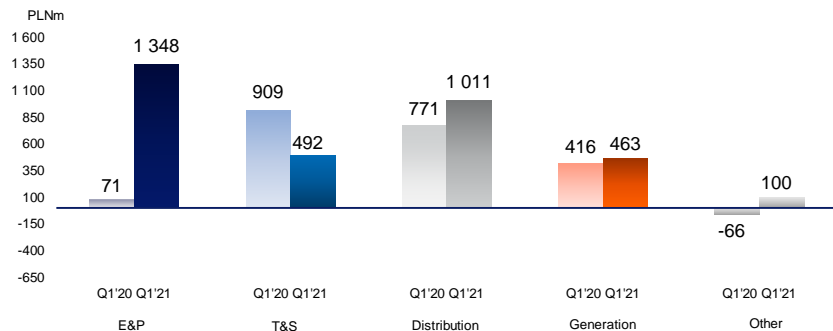
- > 1. Financial highlights Q1 2021
- > 2. Operating expenses
- > 3. External factors and gas markets
- > 4. Gas sales and imports structure
- > 5. Gas transport routes
- > 6. Gas trading and retail sales
- > 7. Changes on the Polish gas market
- > 8. Debt and sources of funding
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statement of cash flows
- > 10. Production and sales volumes



Financial highlights for Q1 2021

[PLNm]	Q1 2020	Q1 2021	Δ%
Revenue	13,756	14,553	6%
Operating expenses (excl. D&A)	-11,678	-11,160	-4%
EBITDA	2,078	3,393	63%
<i>EBITDA (net of impairment losses on property, plant and equipment)</i>	2,835	3,117	10%
Depreciation and amortisation expense	-871	-956	10%
EBIT	1,207	2,437	102%
Net finance costs	-270	-57	-79%
Net profit	779	1,747	124%

Group's EBITDA by segment in Q1 2021 vs Q1 2020



*Eliminations in Q1 2020: PLN -23m; Q1 2021: PLN -21m

Exploration and Production

- Revenue from sales of gas up PLN 506m (+71%) yoy, with revenue from sale of crude oil and condensate up PLN 37m (+10%) yoy.
- Reversal of impairment losses on property, plant and equipment under construction of PLN +269m in Q1 2021 (vs impairment losses of PLN -758m recognised in Q1 2020).

Trade and Storage

- Revenue from sales of gas up +2% and cost of gas up -3% yoy, with a 5% yoy increase in gas volumes sold outside the Group in segment.
- Gain/loss realised on hedging instruments designated for hedge accounting: (1) recognised in profit or loss: PLN -175m (Q1 2020: PLN +819m), (2) recognised in gas inventory as reduction of procurement cost: PLN +172m (Q1 2020: PLN -215m).
- Effect of a gas inventory write-down reversal of PLN +9m in Q1 2021 vs PLN +255m in Q1 2020.

Distribution

- Gas distribution volume up +15% yoy and revenue from distribution services up PLN 273m (+20% yoy).
- Net income/cost of system balancing down PLN -28m yoy.

Generation

- Revenue from sales of heat up PLN 120m (+23% yoy), with the average air temperature lower by 2.8°C in Q1 2021, a 6% yoy increase in heat volumes sold, and a yoy increase in the heat generation and transmission tariff.
- Revenue from sales of electricity generated by own sources down PLN 51m (-14% yoy), with sales volumes down 12% yoy.

Operating expenses in Q1 2021 vs Q1 2020

[PLNm]	Q1 2020	Q1 2021	Δ%
Cost of gas	-8,694	-8,543	-2%
Fuels for heat and power generation	-360	-376	4%
Other raw materials and consumables used	-518	-714	38%
Employee benefits expense	-800	-837	5%
Transmission services	-259	-269	4%
Other services	-419	-404	-4%
<i>LNG regasification services</i>	-98	-85	-13%
Taxes and charges	-574	-633	10%
Other income and expenses*	445	316	-29%
<i>Change in inventory write-downs</i>	253	4	-98%
<i>Change in provisions</i>	-143	-150	5%
Recognition and reversal of impairment losses on property, plant and equipment and intangible assets	-774	16	-102%
<i>Cost of dry wells and seismic surveys written-off</i>	-17	-260	1,429%
<i>Impairment gain/losses on non-current assets</i>	-757	276	-136%
Work performed by the entity and capitalised	275	284	3%
Depreciation and amortisation expense	-871	-956	10%
Total operating expenses	-12,549	-12,116	-3%
<i>Operating expenses net of cost of gas sold</i>	-3,854	-3,573	-7%

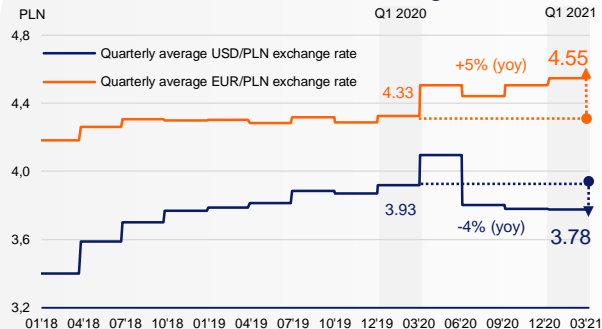
Comments:

- > Increase in the cost of electricity purchased for trading (to PLN -589m, by +52% yoy), with higher average market selling prices of electricity in Q1 2021.
- > Employee benefits expense in the Group up +5% yoy.
- > Higher costs of dry wells (PLN -260m in Q1 2021 vs PLN -17m in Q1 2020). Five dry wells written off in Q1 2021 vs one well written off in Q1 2020.
- > Reversal of impairment losses on property, plant and equipment under construction of PLN +276m in Q1 2021. Recognition of an impairment loss on non-current assets of PLN -757m in Q1 2020.
- > Increase in provisions for the energy efficiency buy-out price: PLN -97m in Q1 2021 vs PLN -87m in Q1 2020.
- > Net exchange differences related to operating activities: PLN +186m in Q1 2021 vs PLN -162m in Q1 2020.
- > Net gain/loss on derivative instruments recognised in net other income/expenses (not designated for hedge accounting): PLN -167m in Q1 2021 vs PLN +206m in Q1 2020.
- > Higher depreciation and amortisation expense, mainly in the E&P segment (Norway): PLN -136m in Q1 2021 vs PLN -101m in Q1 2020, and Generation segment (amortisation of CO₂ emission allowances): PLN -206m in Q1 2021 vs PLN -184m in Q1 2020.

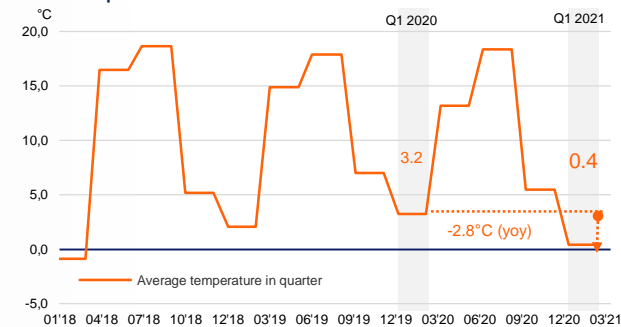
External and market factors

- > USD/PLN exchange rate down -4% yoy in Q1 2021, to PLN 3.78.
- > EUR/PLN exchange rate up +5% yoy in Q1 2021, to PLN 4.55.
- > Average temperature* down -2.8°C yoy in Q1 2021.

> USD/PLN and EUR/PLN exchange rates

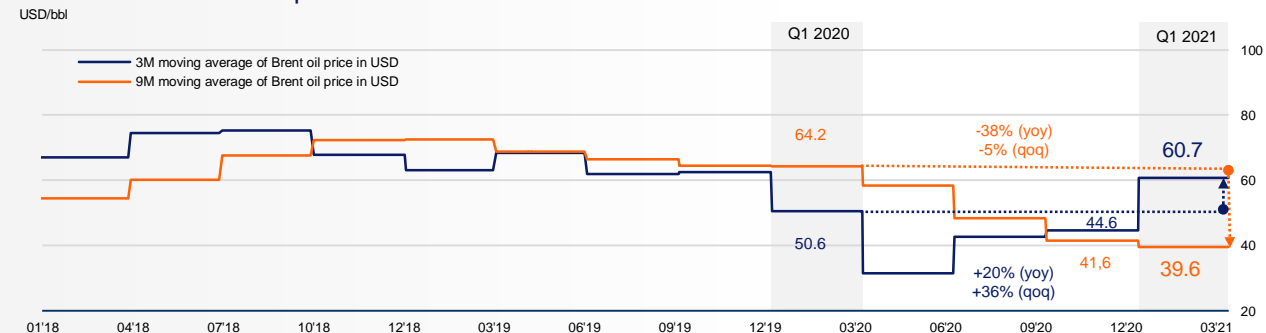


> Temperatures*



- > 3M (quarterly) average oil price up 20% yoy, to USD 60.7 per barrel.

> 3M and 9M crude oil prices



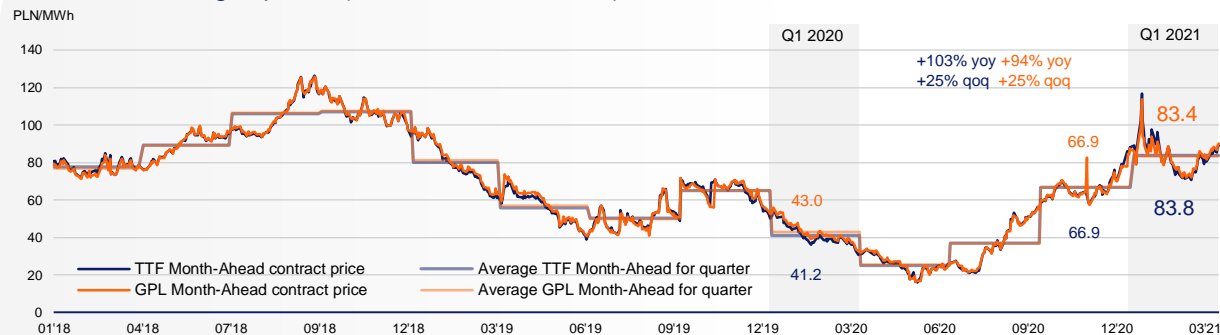
- > 9M average oil price down -38% yoy, to USD 39.6 per barrel at the end of Q1 2021.

* Reference point for temperature measurement: Rzeszów

Gas markets

- > TTF and GPL gas prices (Month-Ahead contract) in PLN in Q1 2021:
 - > January: +95% and +81% yoy,
 - > February: +100% and +91% yoy,
 - > March: +118% and +115% yoy.
- > Trading volumes on POLPX in Q1 2021, including all contracts and maturities, up approximately +23% yoy.

> TTF and GPL gas prices (Month-Ahead contract)



> Gas prices on POLPX Day-Ahead Market and average volume-weighted price of contracts



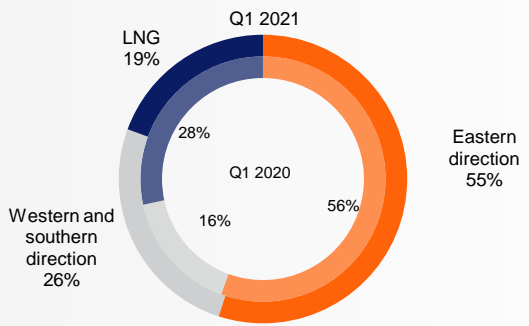
Comments:

- > Selling prices on POLPX: the largest volumes of gas were traded on POLPX and other gas exchanges under quarterly, seasonal (summer/winter) and annual contracts. Monthly and weekly futures as well as the spot market played a complementary role.
- > The volume-weighted average quarterly price of contracts traded on POLPX is calculated based on the prices of contracts for delivery in a given quarter.

Gas sales and imports structure

- > Lower gas and LNG imports from sources east of Poland and higher imports from western and southern sources. In Q1 2021, seven gas carriers unloaded at the Świnoujście Terminal, including: four deliveries under the Qatargas contract and three spot deliveries.
- > Higher gas sales by the PGNiG Group due mainly to higher sales by PGNiG OD.

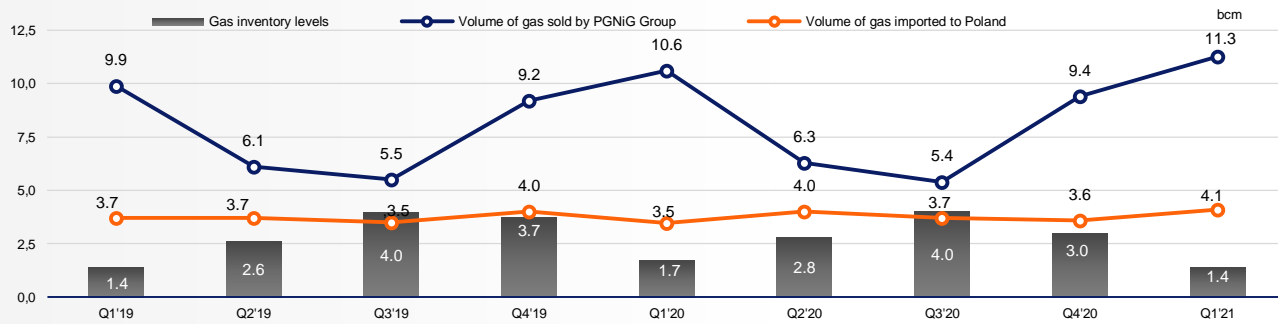
> Imports of natural gas to Poland



> Gas sales outside the PGNiG Group by company

[mcm]	Q1 2020	Q1 2021	Δ%
PGNiG Group:	10,601	11,277	+6%
<i>PGNiG SA</i>	6,314	6,257	-1%
<i>PGNiG OD</i>	2,925	3,507	+20%
<i>PST</i>	1,362	1,513	+11%

> PGNiG Group's gas sales volumes, gas inventory levels* and gas imports



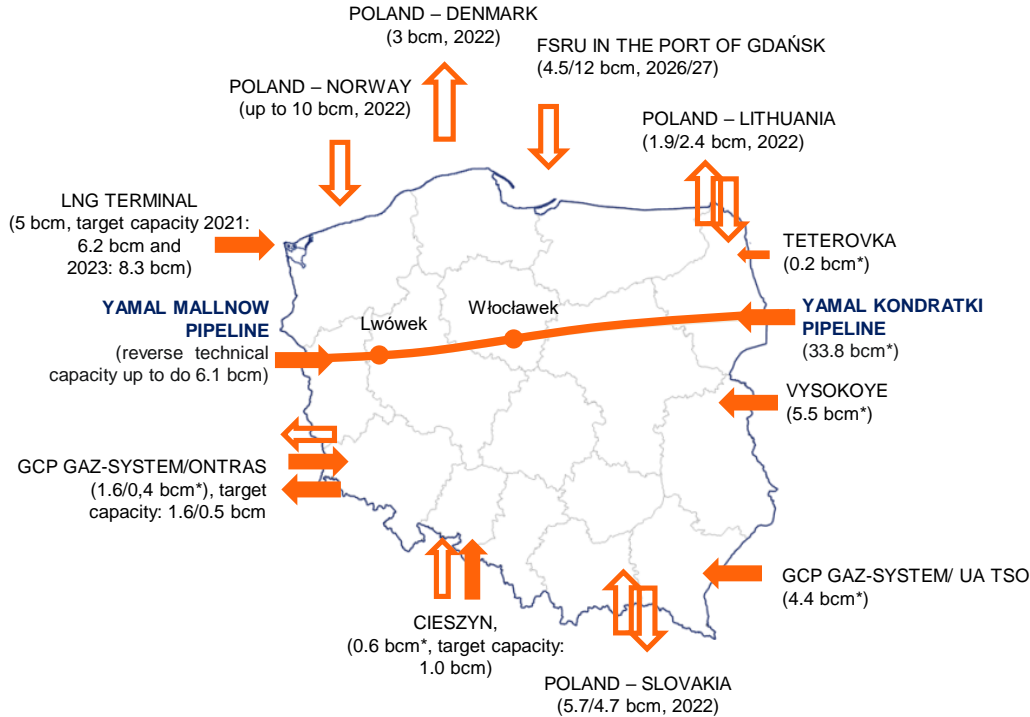
Comments:

- > LNG terminal stocks: 5 mcm after regasification (as at March 31st 2021).

* Includes high-methane gas, nitrogen-rich gas stored in Poland and abroad, as well as LNG at the terminal.

Gas transport routes

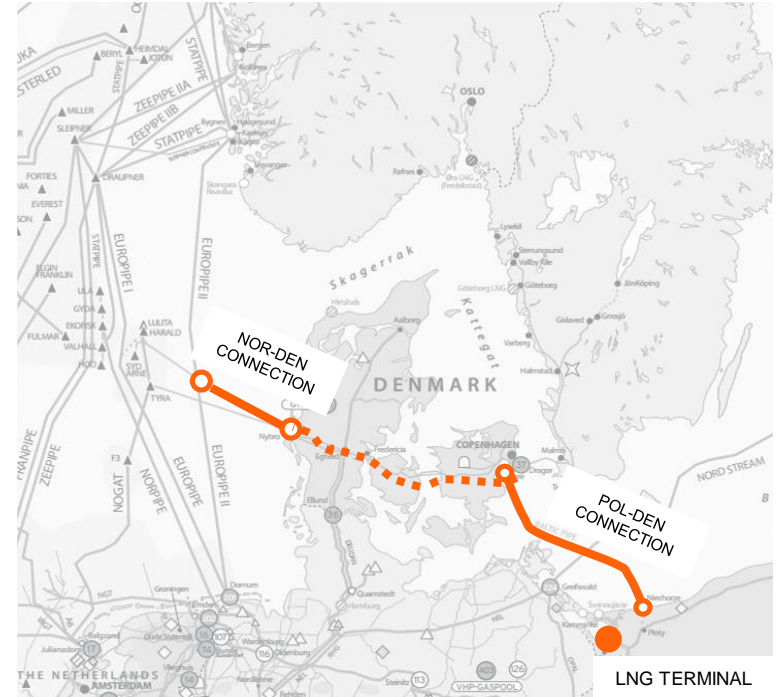
> Interconnections



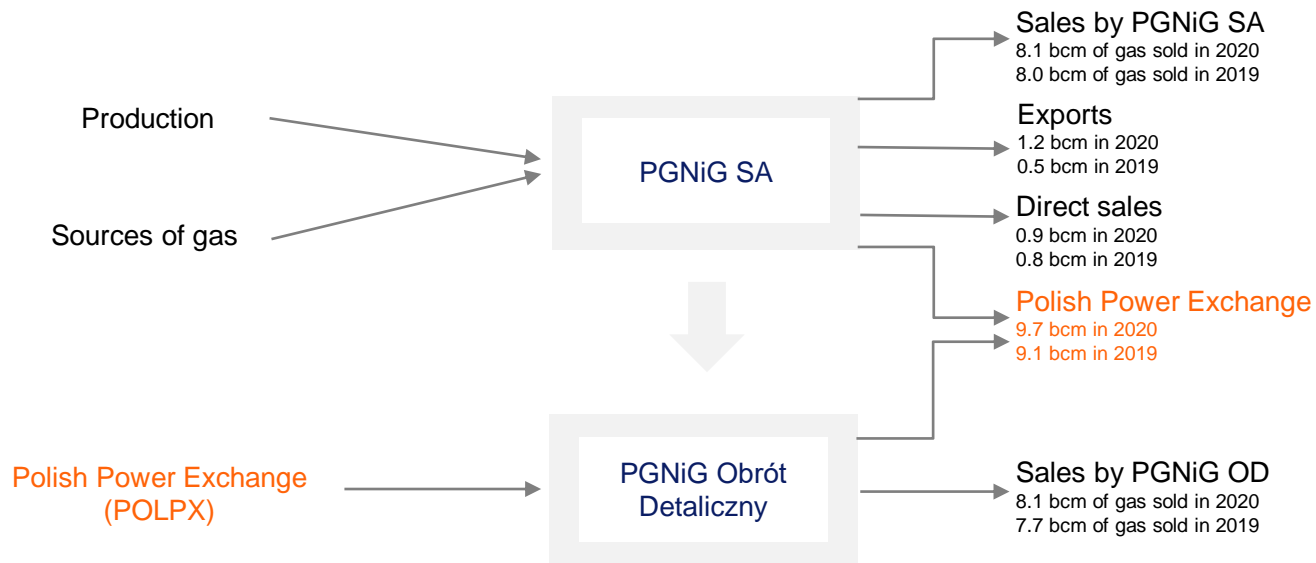
* Technical capacity

- Existing interconnectors
- Interconnectors planned, under construction (transmission capacity into/from Polish grid, year of completion)

> Northern Gate Project



Gas trading and retail sales



Sales made on POLPX by PGNiG SA and purchases made on POLPX by PGNiG Obrót Detaliczny, which commenced operations on August 1st 2014, are **not subject to elimination from the consolidated financial statements**, and are disclosed under the Trade and Storage segment.

Changes on the Polish gas market

- > Since August 1st 2014, the PGNiG Group's gas sales volumes have included both PGNiG SA's sales through the exchange and PGNiG OD's sales to end customers and on the exchange.
- > Nitrogen-rich gas presented in the table as Group E gas equivalent.

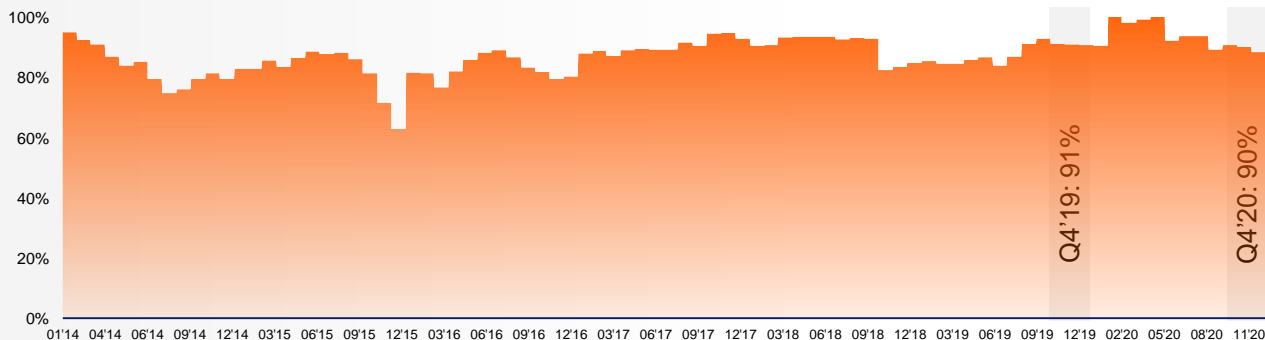
Notes**:

- > The chart presents PGNiG SA's share in gas flowing into Poland through OGP Gaz-System's entry points (excluding transit volumes via the Yamal pipeline and including volumes for export), monthly data. The increase of PGNiG's share in imports observed in Q1 2016 caused mainly by reduced exports to Ukraine.
- > Data in the chart do not show PGNiG SA's share in the Polish gas market, They have been sourced from reports published by OGP Gaz-System on the volumes of gas flowing through interconnectors.

Gas sales volume (mcm)	2016	2017	2018	2019	2020
Total PGNiG Group	24.3	26.8	29.0	30.7	31.6
PGNiG SA	14.5*	17.0	17.2	17.6	19.0
<i>including PGNiG SA through PPE</i>	9.0	8.4	8.5	8.9	9.6
PGNiG Obrót Detaliczny	7.3	7.6	7.9	7.7	8.1

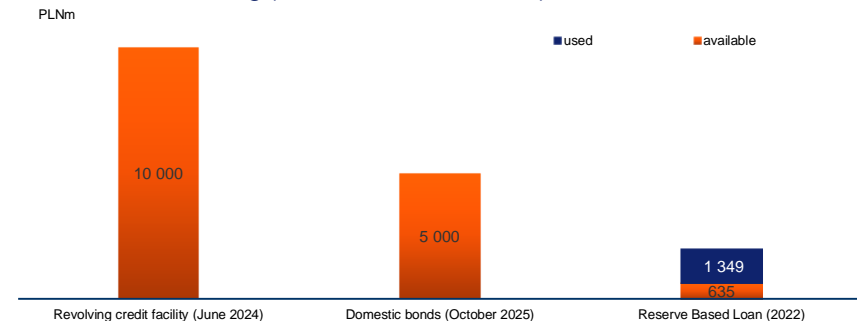
* With Export, without Pakistan

> PGNiG's share in gas imports to Poland**

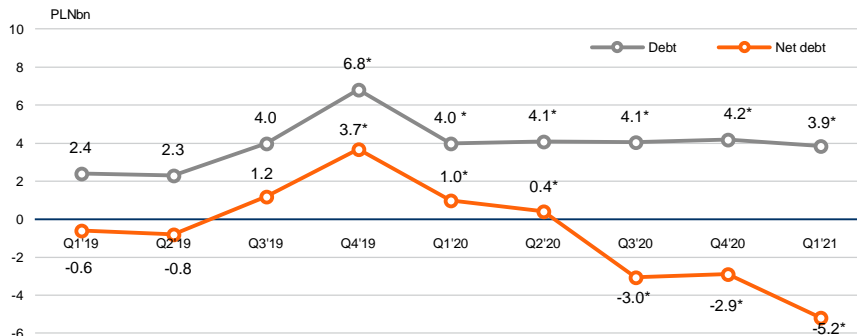


Debt and sources of funding

> Sources of funding (as at March 31st 2021)

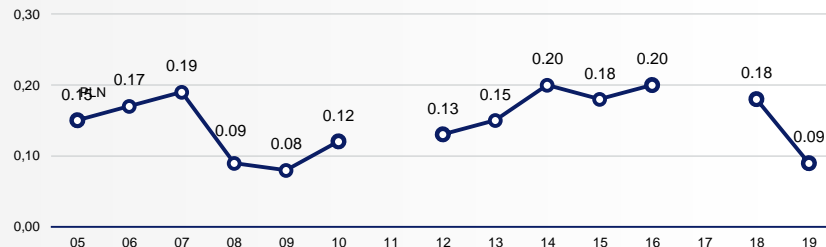


> Debt at quarter end



*The data reflects the impact of application of IFRS 16.

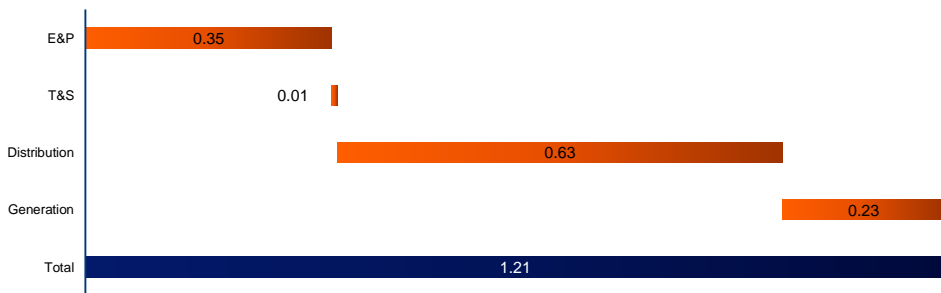
> Dividend per share for the financial year



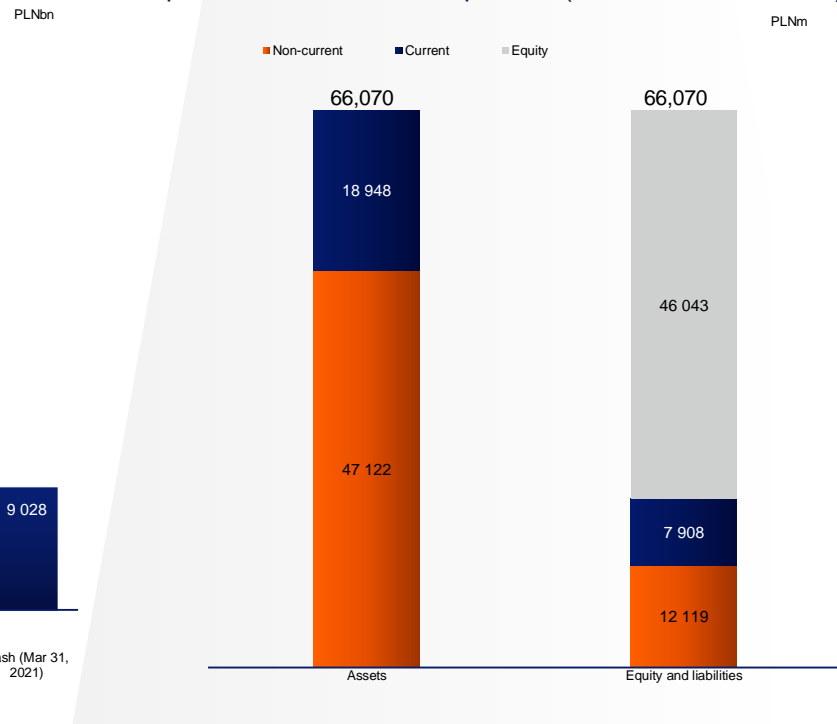
- > June 24th 2020 The PGNiG Annual General Meeting passed Resolution No. 21/2020 to allocate PLN 520,048,337.13 from the 2019 net profit to dividend payment of PLN 0.09 per share.
- > The dividend record date was July 20th 2020 and the dividend payment date was August 3rd 2020.

CAPEX, statement of financial position and statement of cash flows

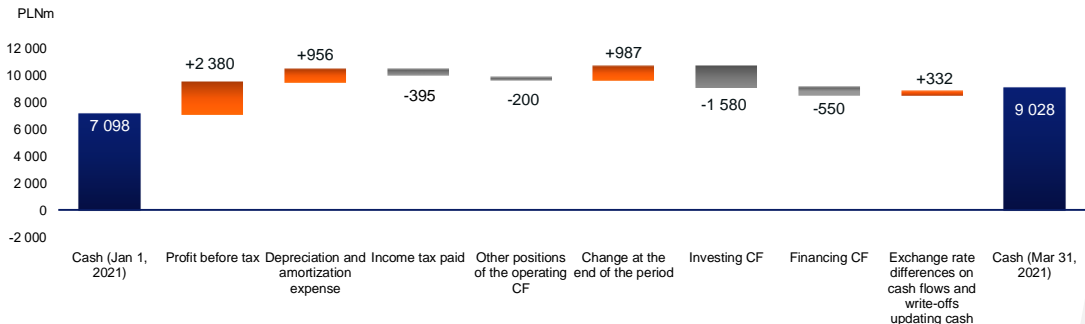
> CAPEX incurred as at March 31st 2021*



> Group's statement of financial position (as at March 31st 2021)



> Consolidated cash flows (January 1st–March 31st 2021)



* CAPEX including expenditure on acquisition of hydrocarbon deposits. CAPEX incurred in the Other Activities segment: PLN 0.04bn

Production and sales volumes

NATURAL GAS PRODUCTION BY THE PGNIG GROUP [mcm]

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2020	FY 2019	FY 2018	FY 2017
HIGH-METHANE GAS (E)	539	488	441	442	444	452	451	439	477	1,815	1,819	1,834	1,863
<i>including in Poland</i>	317	328	330	336	343	348	337	327	326	1,337	1,337	1,296	1,315
<i>including in Norway</i>	222	159	112	106	101	104	114	112	151	478	481	538	548
NITROGEN-RICH GAS (Ls/Lw as E equivalent)	706	731	673	582	719	721	645	601	704	2,705	2,671	2,712	2,674
<i>including in Poland</i>	620	642	591	526	650	668	593	556	661	2,409	2,478	2,512	2,524
<i>including in Pakistan</i>	86	88	82	56	69	53	52	45	43	295	193	200	150
TOTAL (measured as E equivalent)	1,245	1,218	1,114	1,024	1,163	1,173	1,096	1,040	1,181	4,519	4,489	4,546	4,537

NATURAL GAS SALES BY THE PGNIG GROUP [mcm]

HIGH-METHANE GAS (E)	10,745	8,866	5,022	5,955	10,119	8,735	5,175	5,715	9,431	29,962	29,057	27,466	25,291
<i>including PST sales outside PGNiG Group</i>	1,513	1,252	902	931	1,362	1,487	1,305	1,099	1,352	4,447	5,242	3,929	2,186
NITROGEN-RICH GAS (Ls/Lw as E equivalent)	532	495	357	342	482	447	350	336	465	1,676	1,597	1,578	1,496
TOTAL (measured as E equivalent)	11,277	9,361	5,379	6,297	10,601	9,182	5,525	6,051	9,896	31,638	30,654	29,044	26,787
<i>including sales directly from the fields</i>	264	273	219	192	250	235	210	170	229	934	844	855	796

NATURAL GAS IMPORTS BY PGNiG S.A. [mcm]

Total	4,102	3,618	3,697	4,012	3,462	3,965	3,508	3,710	3,667	14,789	14,851	13,530	13,714
<i>including: sources east of Poland</i>	2,256	2,370	2,510	2,194	1,923	2,654	2,316	2,186	1,791	8,997	8,946	9,038	9,656
<i>including: LNG</i>	796	808	755	1,213	982	948	706	1,044	727	3,757	3,425	2,713	1,715

CRUDE OIL, PGNiG GROUP (thousand tonnes)

Production of crude oil and condensate	328	362	306	331	325	328	275	290	324	1324	1,216	1,345	1,257
<i>including in Poland</i>	174	184	159	167	200	208	184	177	208	710	776	818	787
<i>including in Norway</i>	154	178	147	164	125	120	91	113	116	615	440	527	470
Sales of crude oil and condensate from own production	251	361	324	369	277	361	295	266	288	1331	1,210	1,410	1,270
<i>including in Poland</i>	178	182	161	159	210	201	182	177	210	712	771	817	791
<i>including in Norway</i>	73	179	163	210	67	160	113	89	78	619	439	593	479

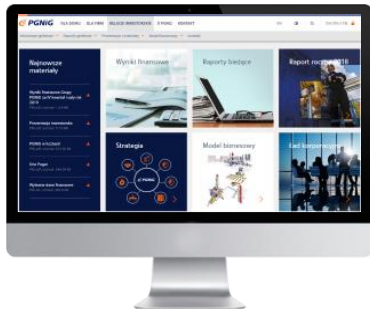
GENERATION

Production of heat, net (sales) (TJ)	17,001	13,020	3,083	6,789	16,048	12,984	3,268	6,040	16,970	38,940	39,263	40,659	42,607
Production of electricity, net, secondary generation (for sale) (GWh)	1,223	1,165	454	637	1,382	1,266	425	744	1,513	3,638	3,948	3,974	3,882

Glossary

bbbl	Barrel
boe / mm boe	Barrel of oil equivalent / Million barrel of oil equivalent (one barrel is approx, 0,136 tonnes)
CAGR	Compound annual growth rate
CAPEX	Capital expenditure
cm / bcm	cubic meters / billion cubic meters
DES	Delivery ex ship formula, LNG seller deliver gas to a buyer at an agreed port of arrival
D&A	Depreciation and Amortization
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization
FOB	Free on board formula, LNG seller will deliver gas to a tanker ship at the loading port
JV	Joint Venture
LNG	Liquefied Natural Gas
NGL	Natural Gas Liquids
PPE	Polish Power Exchange
PSG	Polska Spółka Gazownictwa
PST	PGNiG Supply & Trading GmbH
RAB	Regulatory Asset Base
WACC	Weighted average cost of capital
WIG 20	Capitalization-weighted stock market index of the twenty largest companies on the Warsaw Stock Exchange
WSE	Warsaw Stock Exchange

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