

Polish Oil and Gas Company (PGNiG SA)  
Head Office

Warsaw, January 27th 2021

## Natural gas and crude oil production forecast for 2021 – 2023

Current Report No. 4/2021

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA (“PGNiG”) announces its natural gas and crude oil production forecast for the period of 2021–2023, replacing the production forecast for the period of 2019–2021 published in Current Report No. 41/2019 of July 31st 2019 and No. 46/2020 of September 21st 2020.

**Natural gas production forecast for 2021–2023, converted to high-methane gas with a calorific value of 39.5 MJ/m<sup>3</sup> (in billion m<sup>3</sup>):**

<b>billion cubic meters</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Poland</b>	<b>3.8</b>	<b>3.8</b>	<b>4.0</b>
<b>Outside of Poland, including:</b>	<b>1.2</b>	<b>1.4</b>	<b>1.3</b>
- Norway	0.9	1.1	1.0
- Pakistan	0.3	0.3	0.3
<b>Total</b>	<b>5.0</b>	<b>5.2</b>	<b>5.3</b>

Natural gas production in Poland should remain stable over the years to come. The expected lower gas production volume in 2021 is due to the lengthened project timelines caused by the pandemic, and in 2022 – due to an extended shutdown of the Lubiatów facility. Production is expected to increase in 2023 following completion of capex projects involving development of new fields and connection of new wells.

Lower gas production forecasts in Pakistan are due to delays in construction of technical facilities and the local lockdown caused by the pandemic situation.

Growth in gas production in Norway in 2021–2023 will be driven by the acquisition of the Kvitebjørn and Valemon fields, and by the planned launch of production from the Snadd Outer, Duva and other wells drilled on the Ærflugl structure.

## Crude oil production forecast, including condensate and NGL, for 2021–2023

(‘000 tonnes):

<b>thousand tonnes</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Poland</b>	<b>667</b>	<b>612</b>	<b>616</b>
<b>Outside of Poland, including:</b>	<b>633</b>	<b>918</b>	<b>771</b>
- Norway	633	918	771
<b>Total</b>	<b>1,300</b>	<b>1,530</b>	<b>1,387</b>

## CURRENT REPORT

The 2021 oil production forecasts reflect a number of factors, including the postponement of a project to develop the Kamień Mały field from 2020 to 2022 and lower oil output at the Lubiatów facility. Lower production volumes in 2022–2023 are the result of a planned extended shutdown of the Lubiatów facility related to its expansion and connection of the Międzychód-8h well in 2022. The planned extended shutdown of the Dębno facility related to its expansion will affect oil production volumes in 2023.

Over the forecast period 2021–2022, the natural decline in oil production in Norway will be halted, as a consequence of the acquisition of the Kvitebjørn and Valemon fields, and of the planned launch of production from the Snadd Outer, Duva, Gråsel and other wells drilled on the Ærfugl structure. In addition, work is being planned to boost production from the Morvin field. The decline in production volumes in Norway expected in 2023 is due to natural depletion. However, the Company is taking steps to acquire new oil and gas reserves in Norway.

The data presented above does not include production from fields that could potentially be acquired in the future under the “PGNiG Group Strategy for 2017–2022 with an Outlook Until 2026”, published in Current Report No. 19/2017 of March 13th 2017.

### Legal basis:

Article 17.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16th 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC