ORLEN Group consolidated financial results 3Q21

28 October 2021

#ORLEN3Q21@PKN_ORLEN

Agenda

Quarterly summary

Market environment

Financial and operating results

Financial strength

Market outlook

Summary 3Q21

Financial and operating results

- EBITDA LIFO: PLN 4,3 bn; increase by PLN 2,3 bn (y/y)
- Downstream margin: 9,8 USD/bbl; increase by 81% (y/y)
- Refining margin with B/U differential: 5,4 USD/bbl; 5-fold increase (y/y)
- Petrochemical margin: 1318 EUR/t, increase by 59% (y/y)
- Crude oil throughput: 8,3 mt; increase by 1% (y/y) / 94% utilisation ratio
- Sales volumes: 10,7 mt; increase by 2% (y/y)

Financial situation

- Cash flow from operations: PLN 4,3 bn
- CAPEX: PLN 2,5 bn
- Net debt: PLN 11,4 bn
- Net debt / EBITDA: 0,69
- Investment rating: BBB- positive outlook (Fitch), Baa2 positive outlook (Moody's).
- Dividend payment for 2020 at the level of PLN 3,50 per share.

Key facts

M&A's:

- LOTOS Group – 14 October EGM of LOTOS gave a conditional consent for partial sale of LOTOS Group assets within the framework of remedies. Till 14 November PKN ORLEN will choose partner/-s to realise remedies.
- PGNiG – application for consent to acquire PGNiG is in Antimonopoly Office.

Investments:

- Bottom of the Barrel (ORLEN Lietuva) – high-margin products yield will increase by 12pp leading to EBITDA increase by ca. PLN 300 m yearly. Finalisation of the investment till the end of 2024.
- Hydrotreated Vegetable Oil (Płock) – ecological and innovative solution which will strengthen Concern's position in biofuels. Finalisation of the investment in the middle of 2024.
- Ecological propylene glycol (ORLEN Południe) – the largest of this type installation in Europe with production capacity of 30 kt yearly. Finalisation of the investment in November 2021.
- Offshore windfarm on the Baltic Sea – commencement of the main stage of geotechnical research on the bottom of the Baltic Sea in the area of planned wind farm and connection route.
- Chemical recycling of plastics – analysis of the possibilities of using innovative technology Hydro-PRTSM.
- Launching of first 200 automated parcel machines within „ORLEN Paczka" project.
- Full co-branding – ORLEN brand in all Concern's stations.

Others:

- ORLEN Skylight accelerator – launching the first corporate program in Poland for technological start-ups with an international reach.
- Partnership with GE Renewable Energy to strengthen competitiveness of PKN ORLEN in applying for new concessions for wind farms in the Baltic Sea.
- Letter of intent with PKP and PESA on cooperation for the implementation of hydrogen technologies in rail transport.
- PKN ORLEN received The Best Annual Report 2020 award for 9th time in row.

Agenda

Quarterly summary

Market environment

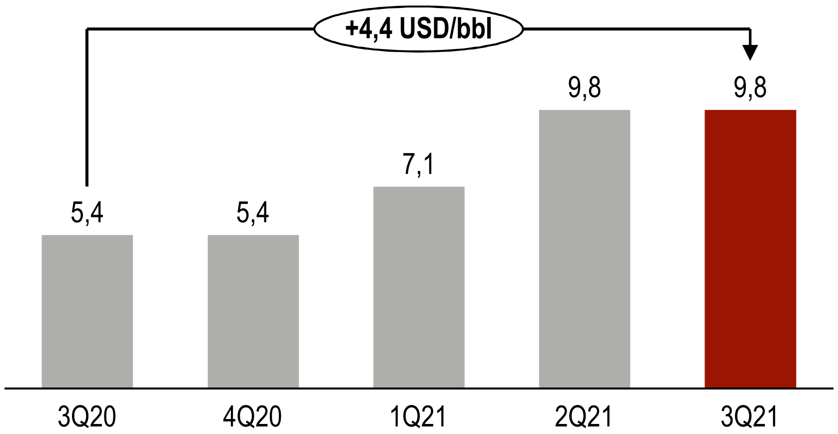
Financial and operating results

Financial strength

Market outlook

Macro environment 3Q21

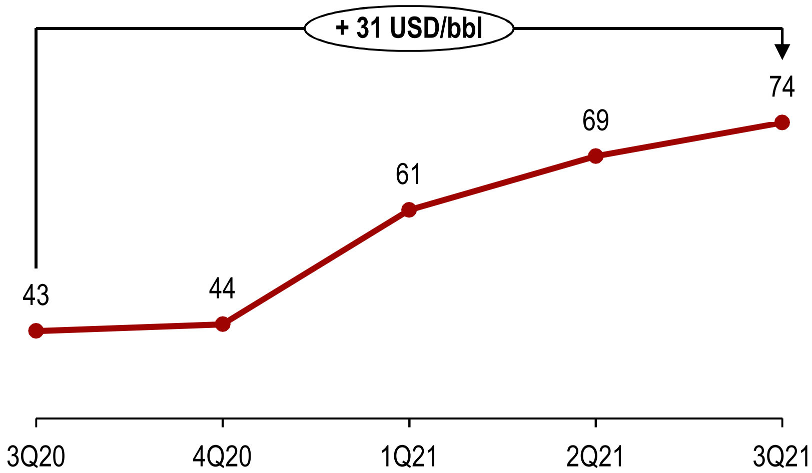
Model downstream margin
USD/bbl



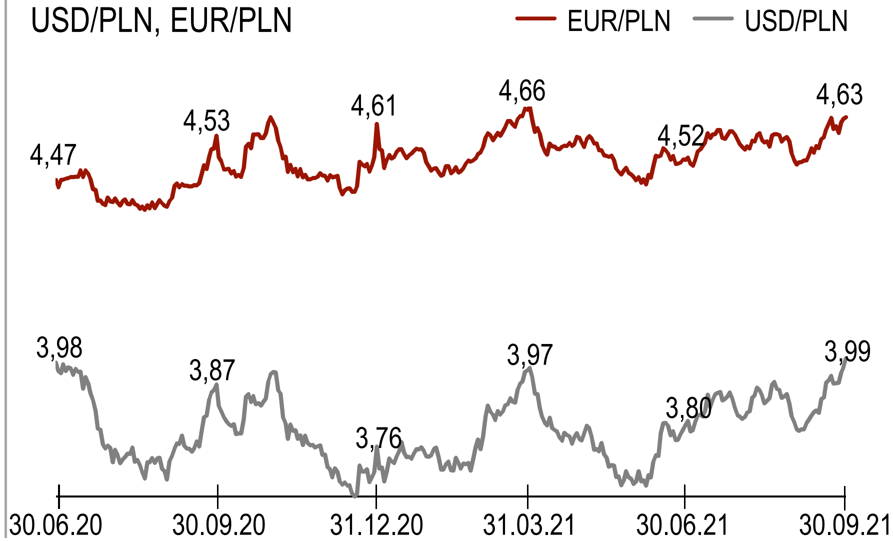
Product slate of downstream margin
Crack margins

Refining products (USD/t)	3Q20	2Q21	3Q21	Δ (y/y)
Diesel	33	37	48	45%
Gasoline	78	144	175	124%
HSFO	-86	-152	-162	-88%
SN 150	100	713	576	476%
Petrochemical products (EUR/t)				
Ethylene	499	627	678	36%
Propylene	444	603	677	52%
Benzene	90	672	389	332%
PX	235	334	339	44%

Average Brent crude oil price
USD/bbl



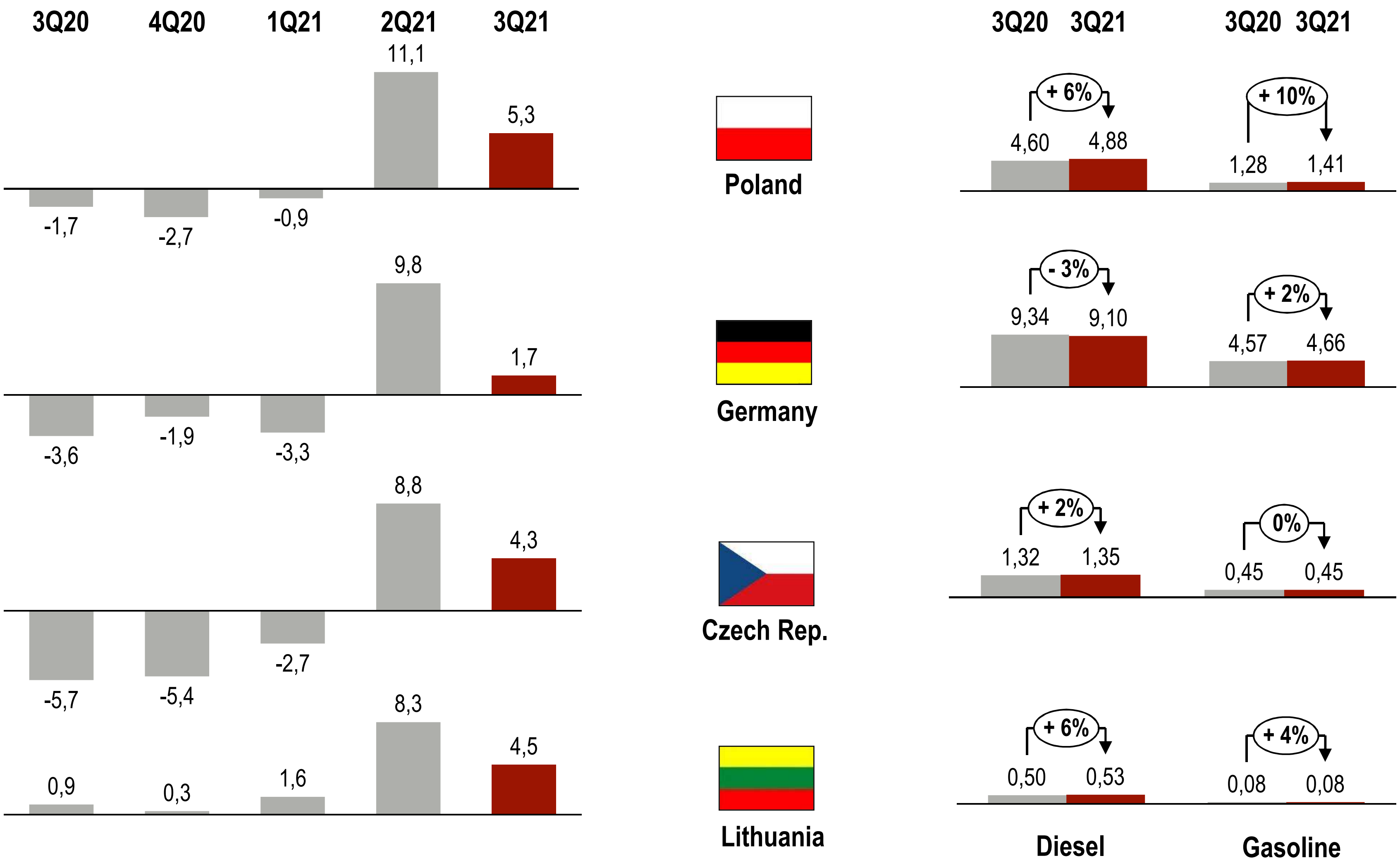
PLN exchange rate vs USD and EUR
USD/PLN, EUR/PLN



Fuel consumption increase as a result of economic recovery

GDP[1]
Change % (y/y)

Fuel consumption[2]
mt



[1] 3Q21 – estimates: Poland (NBP, European Commission, Polityka Insight), Germany, the Czech Rep., Lithuania (Central Banks, European Commission, Continuum Economics)
[2] 3Q21 – PKN ORLEN estimates based on available data from ARE, Lithuanian Statistical Office, Czech Statistical Office and German Association of Petroleum Industry

Agenda

Quarterly summary

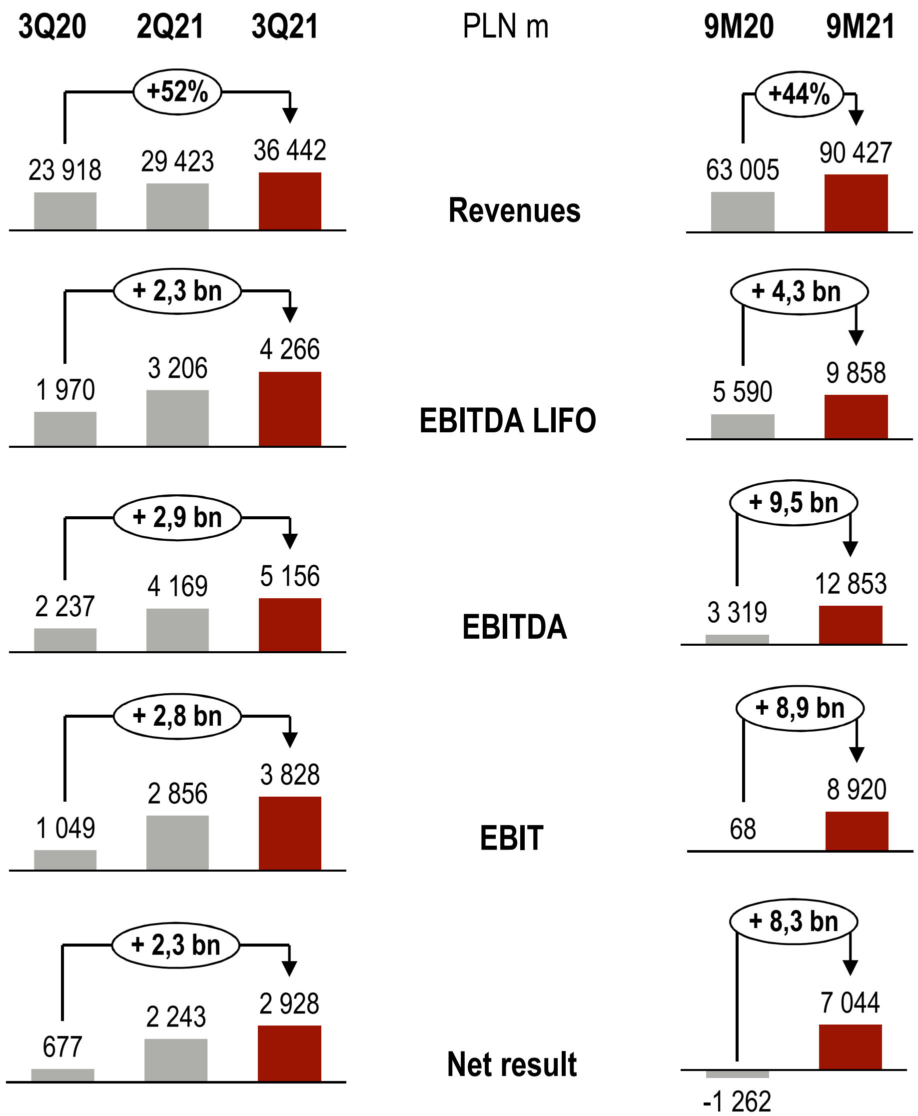
Market environment

Financial and operating results

Financial strength

Market outlook

Financial results



Revenues: increase by 52% (y/y) due to higher quotations of refining and petrochemical products resulting from crude oil prices increase by 31 USD/bbl (y/y) and higher sales volumes by 2% (y/y).

EBITDA LIFO: increase by PLN 2,3 bn (y/y) as a result of positive impact of macro, higher sales volumes, higher trade margins in wholesale and non-fuel margins in retail, usage of historical inventory layers of crude oil and products, inventory revaluation (NRV) and limitation of liability for minority shareholders buyout of ORLEN Unipetrol. Abovementioned positive effects were partially limited by negative impact of lower fuel margins in retail, higher costs of provision for CO2 emission and higher overheads and labour costs.

LIFO effect: PLN 0,9 bn impact of changes in crude oil prices on inventory valuation.

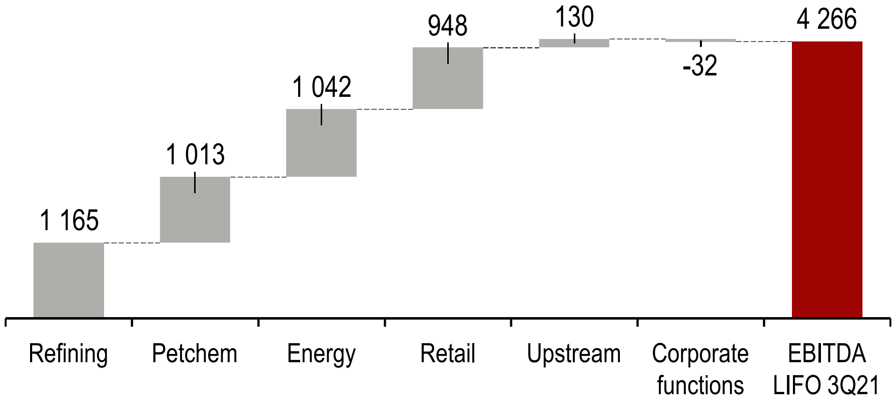
Financial result: PLN (-) 0,3 bn as a result of the surplus of negative FX differences and net interest costs at positive net impact of settlement and valuation of derivative financial instruments.

Net result: increase by PLN 2,3 bn (y/y), of which: higher EBITDA LIFO by PLN 2,3 bn, higher LIFO effect by PLN 0,6 bn, higher depreciation by PLN (-) 0,1 bn, lower financial result by PLN (-) 0,1 bn and higher income tax by PLN (-) 0,5 bn.

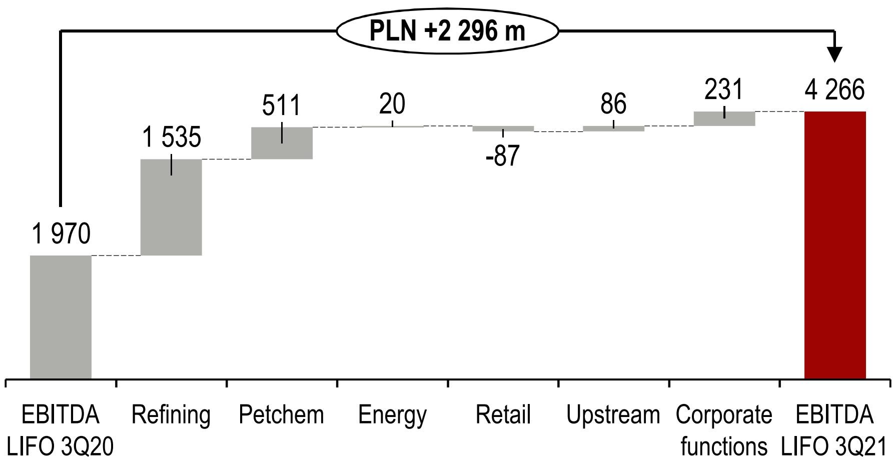
9M20 results does not include profit on a bargain purchase of ENERGA shares in the amount of PLN 4 062 m recognized in 2Q20
Operational results before impairments of assets: 3Q20 PLN 8 m / 2Q21 PLN (-) 85 m / 3Q21 PLN (-) 3 m / 9M20 PLN (-) 642 m / 9M21 PLN (-) 92 m
NRV: 3Q20 PLN (-) 66 m / 2Q21 PLN 14 m / 3Q21 PLN 3 m / 9M20 PLN (-) 468 m / 9M21 PLN 210 m

EBITDA LIFO

Segments' results
PLN m



Change in segments' results (y/y)
PLN m



Refining: increase by PLN 1535 m (y/y) due to positive macro impact, higher sales volumes, higher trade margins, usage of historical inventory layers and inventory revaluation (NRV) at negative impact of higher provisions for CO2 emissions.

Petchem: increase by PLN 511 m (y/y) due to positive macro impact, higher volumes effect despite drop in sales volumes and higher trade margins at negative impact of usage of historical inventory layers and higher provisions for CO2 emissions.

Energy: increase by PLN 20 m (y/y) due to positive macro impact, higher volumes effect despite drop in sales volumes at negative impact of higher provisions for CO2 emissions and higher overheads.

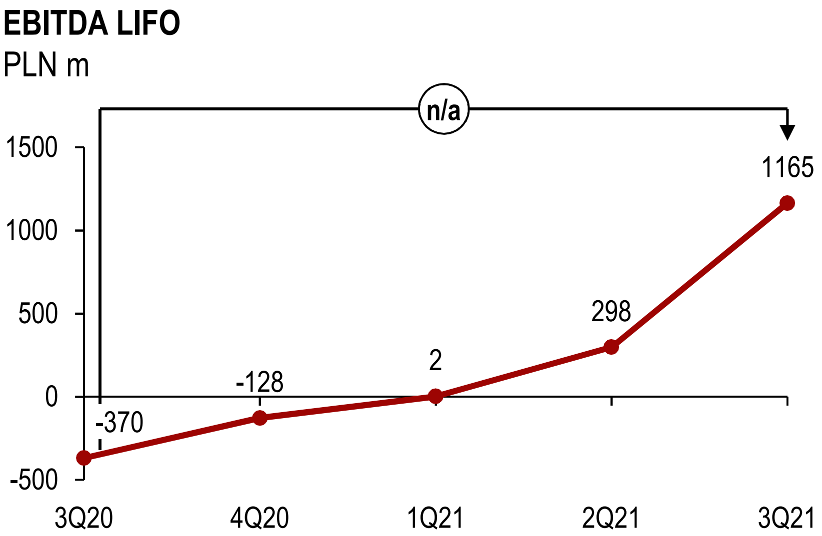
Retail: decrease by PLN (-) 87 m (y/y) due to negative impact of lower sales volumes, lower fuel margins and higher overheads and labour costs at positive impact of higher non-fuel margins.

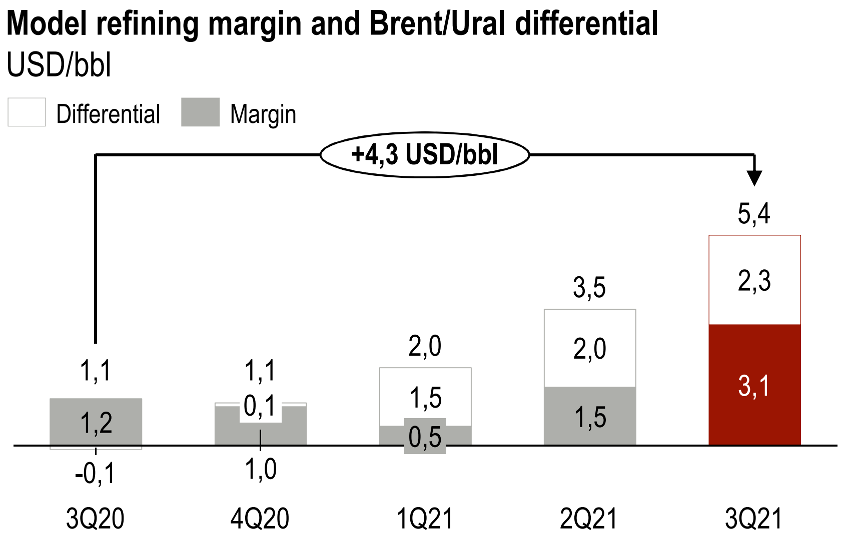
Upstream: increase by PLN 86 m (y/y) due to positive macro impact at lower sales volumes.

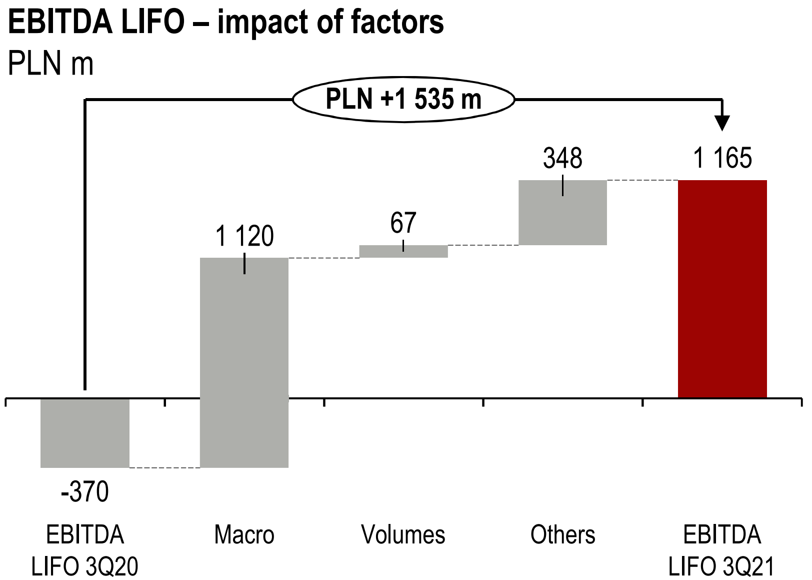
Corporate functions: lower costs by PLN 231 m (y/y) due to limitation of liability for minority shareholders buyout of ORLEN Unipetrol and lower donations on COVID-19.

Operational results before impairments of assets: 3Q20 PLN 8 m / 2Q21 PLN (-) 85 m / 3Q21 PLN (-) 3 m / 9M20 PLN (-) 642 m / 9M21 PLN (-) 92 m
NRV: 3Q20 PLN (-) 66 m / 2Q21 PLN 14 m / 3Q21 PLN 3 m / 9M20 PLN (-) 468 m / 9M21 PLN 210 m

Refining – EBITDA LIFO
Positive macro impact and higher sales volumes





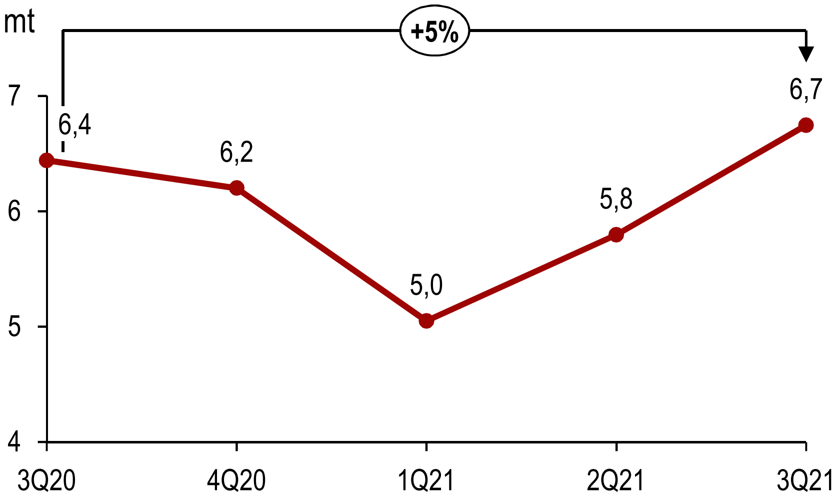


- Positive macro impact (y/y) due to higher Brent/Ural differential, higher cracks on light and middle distillates, weakening of PLN against USD and settlement of CO2 contracts within transactional portfolio in the amount of PLN 159 m (y/y). Abovementioned positive effects were limited by negative impact of lower cracks on heavy fractions, higher costs of internal usage due to rising crude oil prices and cash flow hedging transactions as a result of increasing crude oil and products prices in 3Q21.
- Sales volumes increase by 5% (y/y), of which: gasoline by 11%, diesel by 4%, JET by 41% and HSFO by 6% at lower LPG by (-) 6%.
- Others include mainly: PLN 0,3 bn (y/y) usage of historical inventory layers and higher trade margins at higher provision for CO2 emission.

Operational results before impairments of assets: 3Q20 PLN 2 m / 2Q21 PLN (-) 19 m / 3Q21 PLN (-) 3 m / 9M20 PLN (-) 6 m / 9M21 PLN (-) 24 m
NRV: 3Q20 PLN (-) 65 m / 2Q21 PLN 15 m / 3Q21 PLN 1 m / 9M20 PLN (-) 448 m / 9M21 PLN 173 m
Macro: margins PLN 431 m, B/U differential PLN 724 m, exchange rate PLN 30 m, hedging PLN (-) 65 m

Refining – operational data
Higher crude oil throughput and fuel sales due to demand increase

Sales volumes



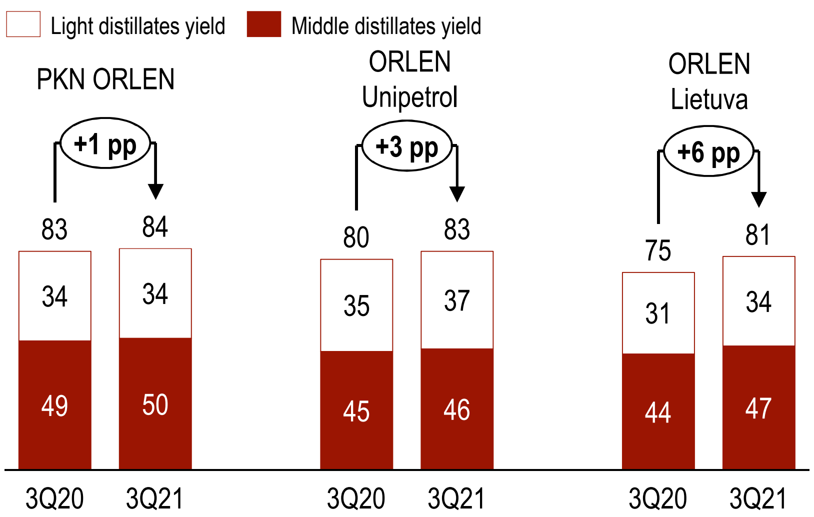
Crude oil throughput and utilization ratio

mt, %

Throughput (mt)	3Q20	2Q21	3Q21	∆ (y/y)
PKN ORLEN	4,2	3,3	4,1	-0,1
ORLEN Unipetrol	1,9	1,6	1,9	0,0
ORLEN Lietuva	2,1	1,8	2,2	0,1
TOTAL	8,2	6,8	8,3	0,1

Utilisation (%)	3Q20	2Q21	3Q21	∆ (y/y)
PKN ORLEN	103%	81%	101%	-2 pp
ORLEN Unipetrol	88%	74%	88%	0 pp
ORLEN Lietuva	81%	72%	85%	4 pp
TOTAL	93%	78%	94%	1 pp

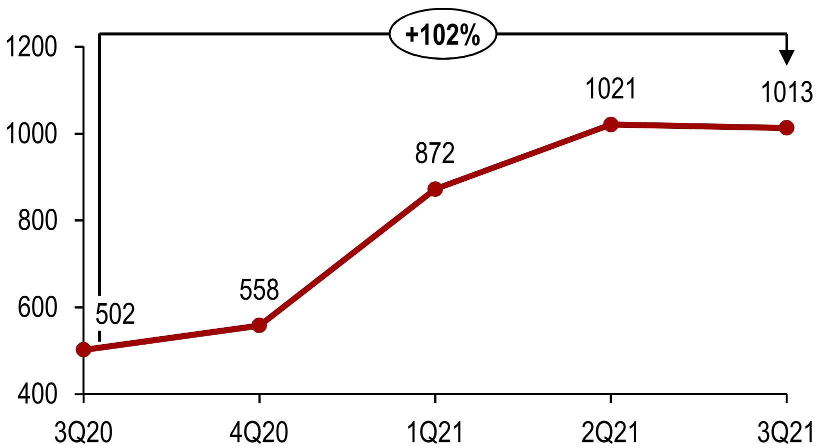
Fuel yield



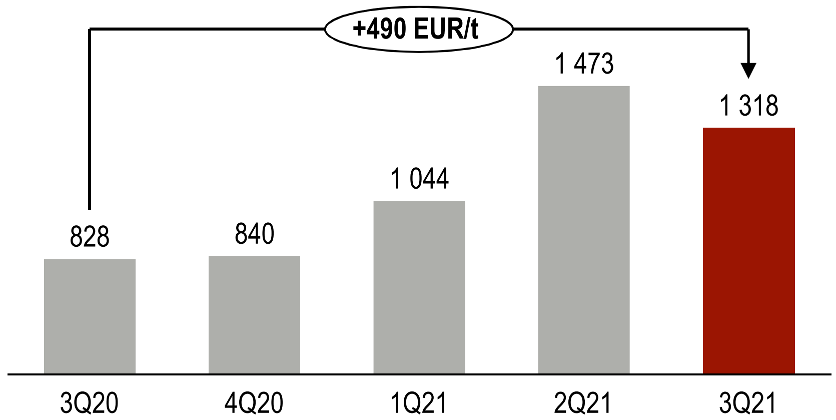
- 8,3 mt of crude oil throughput, i.e. increase by 0,1 mt (y/y), of which:
  - PKN ORLEN – decrease by (-) 0,1 mt (y/y) mainly due to effect of crude oil throughput optimization to reach level of heavy refining fractions from September'21. Higher fuel yield by 1 pp (y/y) due to higher availability of H-Oil installation in 3Q21 (y/y).
  - ORLEN Unipetrol – crude oil throughput comparable (y/y). Higher fuel yield by 3 pp (y/y) due to higher share of low-sulphur types of crude oil and lower range of maintenance shutdowns (y/y).
  - ORLEN Lietuva – increase by 0,1 mt (y/y) due to macro improvement since August'21. Higher fuel yield by 6 pp (y/y) due to higher share of low-sulphur types of crude oil and usage of semi-products from inventories.
- Sales volumes amounted to 6,7 mt, i.e. increase by 5% (y/y), of which higher sales in Poland by 4% due to higher market consumption and in Lithuania by 10% resulting from macro environment improvement leading to higher utilization. Lower sales volumes in the Czech Rep. by (-) 2% due to limited export to German market (logistic and market constrains caused by floods).

Petchem – EBITDA LIFO
Positive macro impact at lower sales volumes

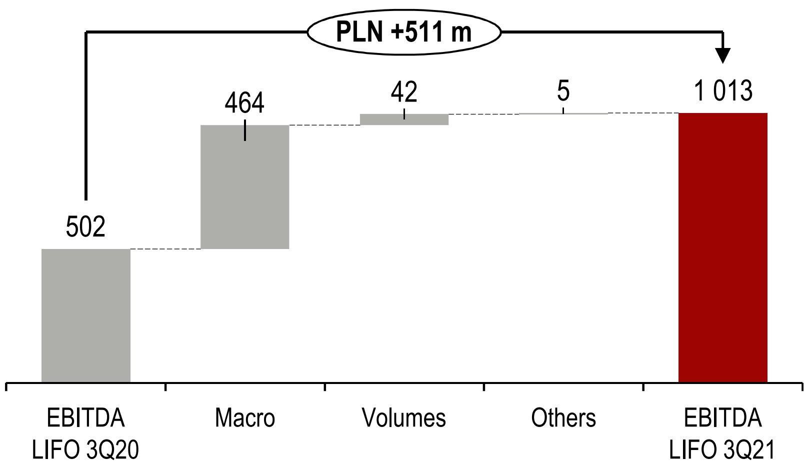
EBITDA LIFO
PLN m



Model petrochemical margin
EUR/t



EBITDA LIFO – impact of factors
PLN m

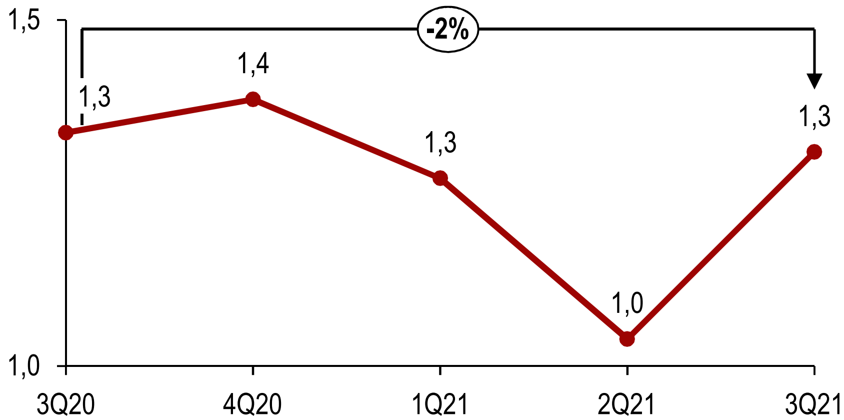


- Positive macro impact (y/y) due to higher margins on olefins, polyolefins, PTA and PVC, weakening of PLN against EUR and settlement of CO2 contracts within transactional portfolio in the amount of PLN 135 m (y/y).
- Sales volumes decrease by (-) 2% (y/y), of which: lower sales of olefins by (-) 9%, fertilizers by (-) 2%, PVC by (-) 3% and PTA by (-) 8% at higher sales of polyolefins by 23%.
- Others include mainly: higher sales margins (y/y) partially limited by the increase in provision for CO2 emission.
- EBITDA LIFO 3Q21 includes:
  - PLN 232 m Anwil result; i.e. increase by PLN 126 m (y/y).
  - PLN 45 m PTA result, i.e. decrease by PLN (-) 19 m (y/y).

Operational results before impairments of assets: 3Q20 PLN (-) 1 m / 2Q21 PLN 0 m / 3Q21 PLN 0 m / 9M20 PLN (-) 1 m / 9M21 PLN 0 m
NRV: 3Q20 PLN (-) 1 m / 2Q21 PLN (-) 1 m / 3Q21 PLN 2 m / 9M20 PLN (-) 20 m / 9M21 PLN 37 m
Macro: margins PLN 267 m, exchange rate PLN 48 m, hedging PLN 149 m

Petchem – operational data
Lower sales by (-) 2% (y/y) as a result of maintenance shutdowns

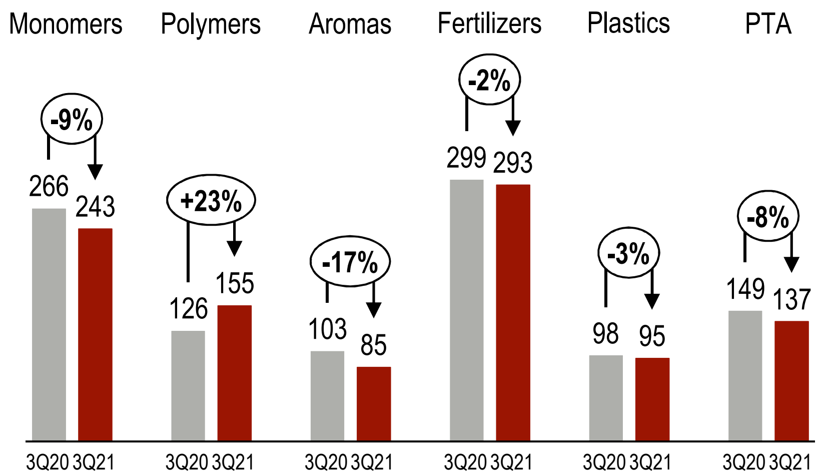
Sales volumes
mt



Utilization ratio
%

Petchem installations	3Q20	2Q21	3Q21	Δ (y/y)
Olefins (Płock)	85%	2%	84%	-1 pp
BOP (Płock)	79%	6%	73%	-6 pp
Metathesis (Płock)	88%	2%	85%	-4 pp
Fertilizers (Włocławek)	86%	80%	86%	0 pp
PVC (Włocławek)	78%	7%	79%	1 pp
PTA (Włocławek)	83%	86%	80%	-3 pp
Olefins (Unipetrol)	83%	87%	78%	-5 pp
PPF Splitter (ORLEN Lietuva)	90%	71%	99%	9 pp

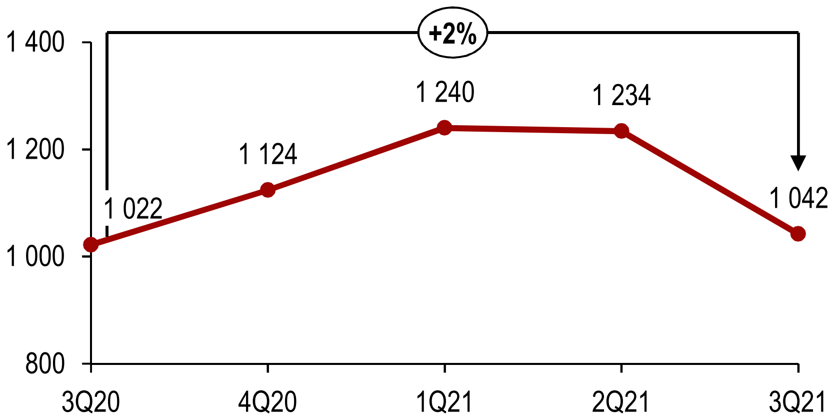
Sales volumes – split by products
kt



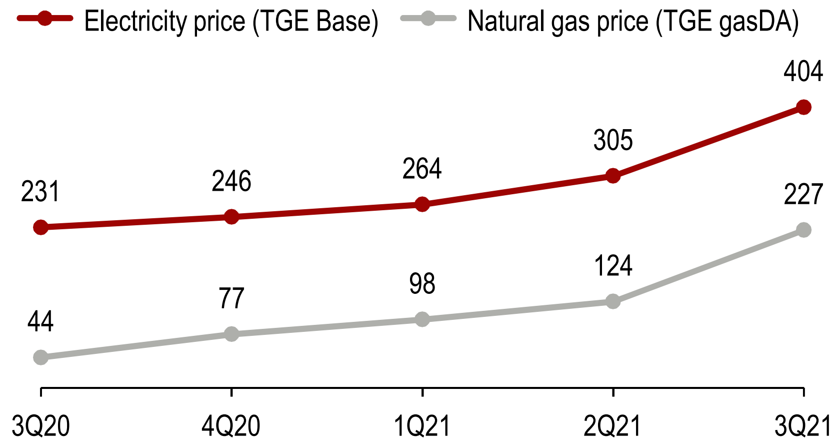
- Utilization ratio of petrochemical installations:
  - Olefins (Płock) – continuation of planned maintenance shutdown from 2Q21.
  - BOP (Płock) – continuation of planned maintenance shutdown from 2Q21 and feedstock limitations due to maintenance shutdown of Olefin unit.
  - Metathesis (Płock) – feedstock limitations due to maintenance shutdown of Olefin unit.
  - PTA (Włocławek) – planned maintenance shutdown.
  - Olefins (Unipetrol) – production limitations related to preparation for maintenance shutdown of PE3 installation.
- Sales volumes amounted to 1,3 mt i.e. decrease by (-) 2% (y/y), of which: lower sales in Poland by (-) 7% as a result of realization of planned maintenance shutdowns, in Lithuania by (-) 5% at higher sales in the Czech Rep. by 9% as a result of improvement (y/y) of operational parameters of PE3 installation and higher product availability.

Energy – EBITDA
Positive macro impact at lower sales

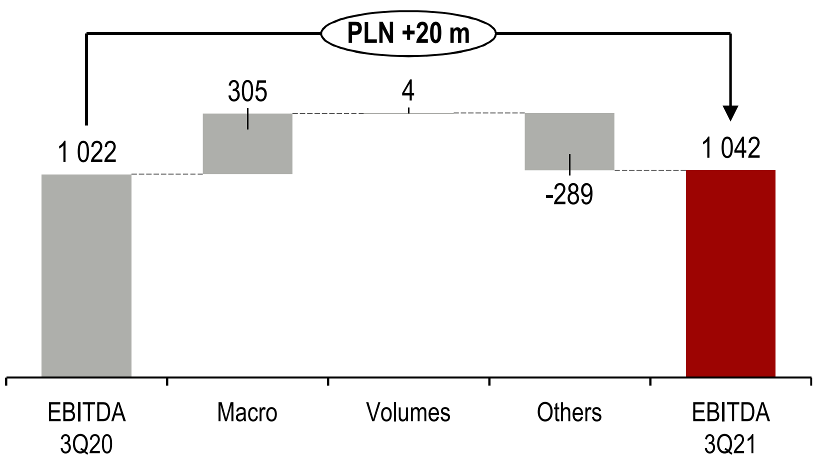
EBITDA
PLN m



Electricity and natural gas prices (market quotations)
PLN/MWh



EBITDA – impact of factors
PLN m

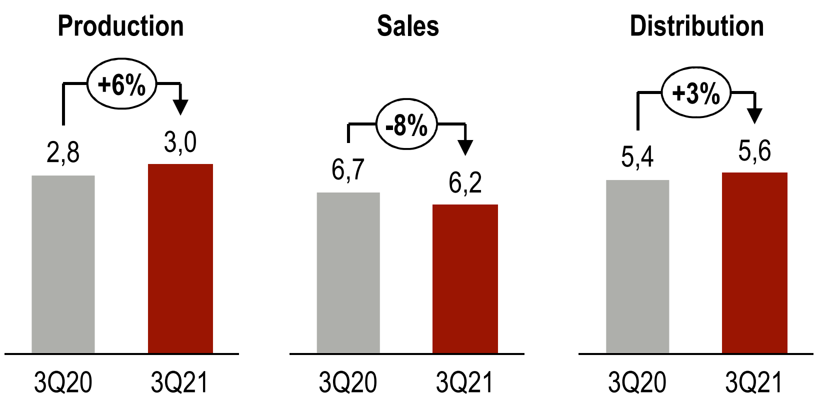


- Positive macro impact (y/y) as a result of an increase in electricity quotations and settlement of CO2 contracts within transactional portfolio in the amount of PLN 196 m (y/y) at negative impact of higher gas and CO2 prices (y/y).
- Lower electricity sales volumes by (-) 8% (y/y) as a result of lower energy consumption by end customers in the ENERGA Group due to lower temperatures in the summer period compared to the previous year.
- Others include mainly: higher costs of provision for CO2 emission and higher fixed costs.
- EBITDA 3Q21 includes:
  - PLN 717 m of ENERGA Group result; i.e. increase by PLN 231 m (y/y).

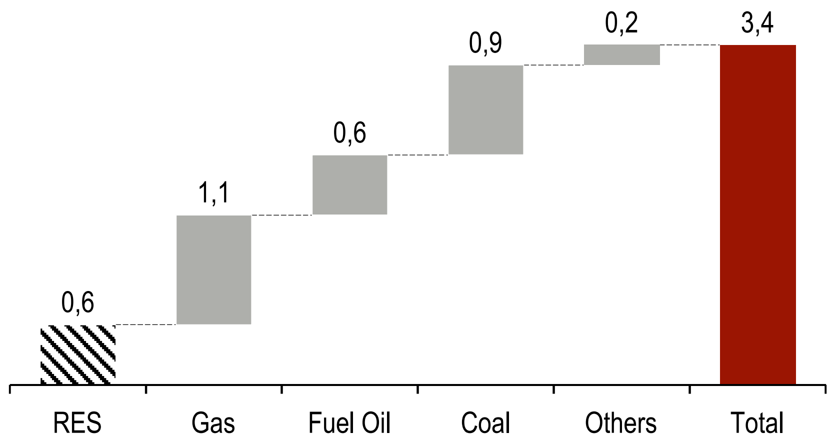
Operational results before impairments of assets: 3Q20 PLN (-) 1 m / 2Q21 PLN (-) 62 m / 3Q21 PLN 2 m / 9M20 PLN (-) 3 m / 9M21 PLN (-) 60 m
Macro: margins PLN 93 m, exchange rate PLN 5 m, hedging PLN 207 m

Energy – operational data
60% of electricity production from zero and low emission sources

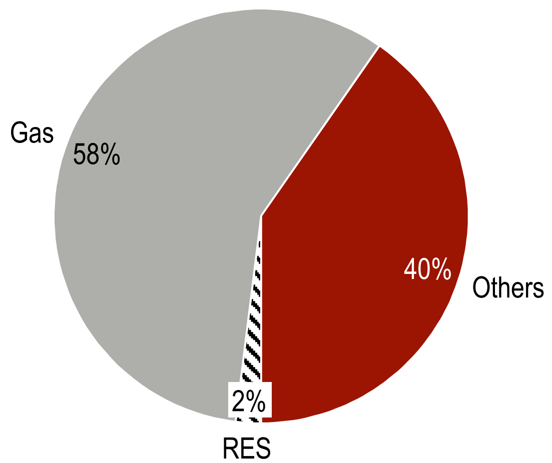
Volumes
TWh



Installed capacity
GWe



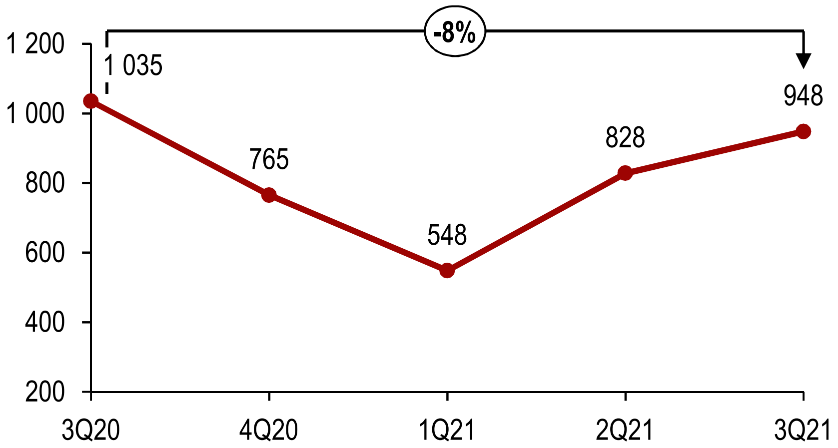
Electricity production by type of sources
%



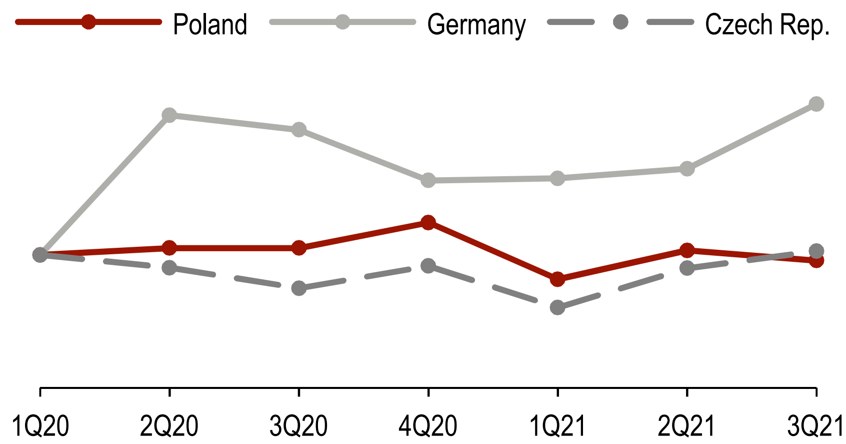
- Installed capacity: 3,4 GWe (electricity) / 6,1 GWt (heat).
- Production: 3,0 TWh (electricity) / 9,0 PJ (heat).
- Electricity production increased by 6% (y/y) due to higher production of Ostrołęka power plant due to higher demand from PSE, higher production of Włocławek hydropower plant and increase in RES (wind capacity) by more than 0,1 GWe (y/y).
- Electricity sales decreased by (-) 8% (y/y) mainly due to lower sales in wholesale (portfolio optimization) and lower consumption of households.
- Electricity distribution (fully realized by ENERGA Operator) increased by 3% (y/y) as a result of higher economic activity and higher number of Energy Connection Points.
- CO2 emission in Energy segment amounted to 2,2 mt.

Retail – EBITDA
Lower fuel margins and lower sales volumes

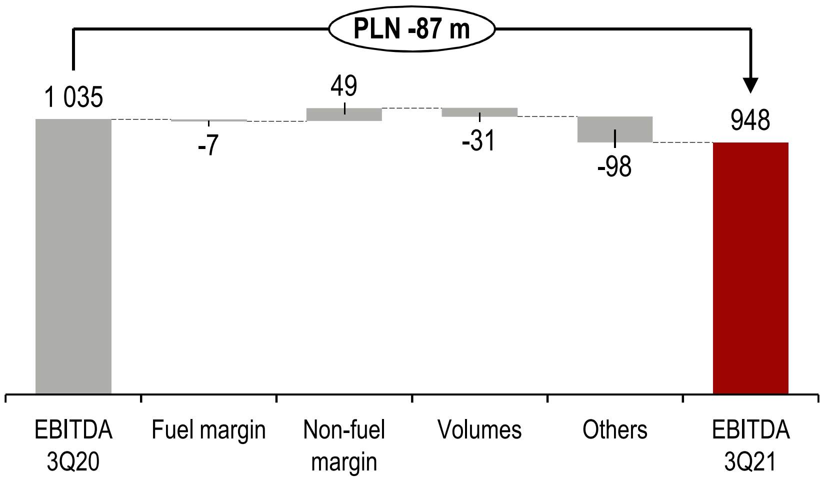
EBITDA
PLN m



Fuel margin
% (q/q)



EBITDA – impact of factors (y/y)
PLN m

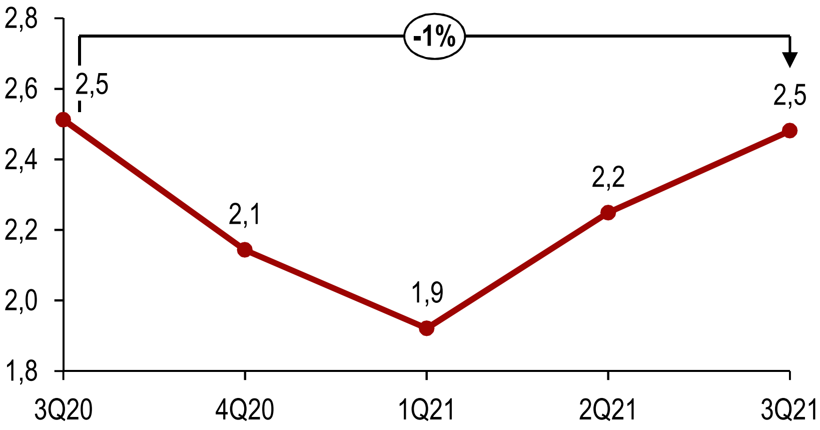


- Lower sales volumes by (-) 1% (y/y), of which: lower sales of diesel by (-) 2% and LPG by (-) 5% at higher sales of gasoline by 1%.
- Lower fuel margins in Poland at higher fuel margins in Germany and the Czech Rep. and comparable level in Lithuania (y/y).
- Higher non-fuel margins on all markets.
- Stop Cafe/Star Connect non-fuel locations increased by 71 (y/y).
- Increase in alternative fuel points by 239 (y/y). Currently, we have 421 alternative fuel points, including: 375 EV charges, 2 hydrogen stations and 44 CNG stations.
- Others include mainly PLN (-) 0,1 bn of higher overheads and labor costs.

Operational results before impairments of assets : 3Q20 PLN (-) 2 m / 2Q21 PLN (-) 4 m / 3Q21 PLN (-) 2 m / 9M20 PLN (-) 13 m / 9M21 PLN (-) 8 m

Retail – operational data
421 alternative fuel points - over 2-fold increase (y/y)

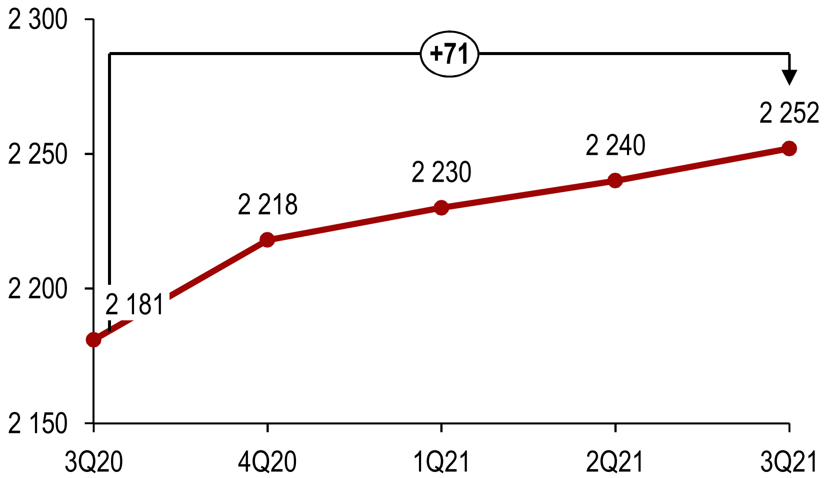
Sales volumes
mt



Number of petrol stations and market shares (by volume)
#, %

	# stations	Δ y/y	% market	Δ y/y
Poland	1 800	2	31,5	-2,5 pp
Germany	586	0	6,2	-0,3 pp
Czech Rep.	421	5	25,3	0,5 pp
Lithuania	29	0	4,4	-0,1 pp
Slovakia	16	5	0,9	0,4 pp

Stop Cafe/Star Connect non-fuel locations
#

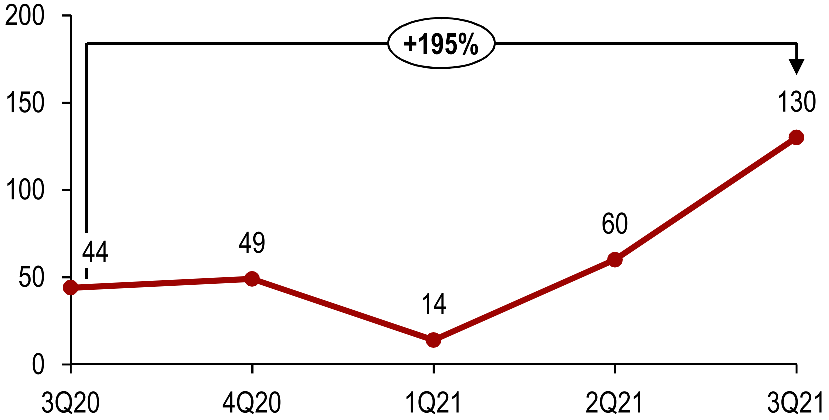


- Sales decrease by (-) 1% (y/y), of which: in Poland by (-) 3% and in Lithuania by (-) 9% at higher sales in the Czech Rep. by 5% and comparable sales in Germany*.
- 2852 fuel stations, i.e. increase by 12 (y/y), of which: in Poland by 2, in the Czech Rep. by 5 and in Slovakia by 5 at comparable number of stations in Germany and Lithuania.
- Market share increase (y/y) in the Czech Rep. and Slovakia at decrease on all other markets.
- 2252 Stop Cafe/Star Connect non-fuel locations, of which: 1733 in Poland, 319 in the Czech Rep., 157 in Germany, 29 in Lithuania and 14 in Slovakia. Increase by 71 (y/y), of which: in Poland by 29, in the Czech Rep. by 9, in Germany by 26, in Lithuania by 1 and in Slovakia by 12.
- 421 alternative fuel points, of which: 328 in Poland, 84 in the Czech Rep. and 9 in Germany. Increase by 239 (y/y), of which: in Poland by 218, in the Czech Rep. by 21 at comparable number in Germany.

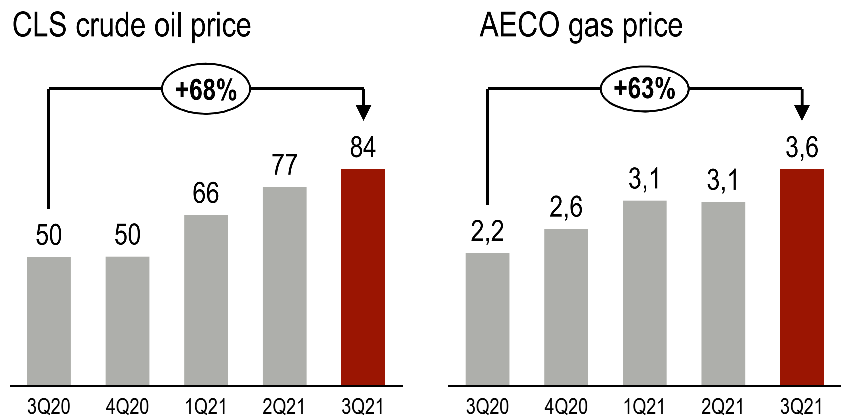
* Includes also fuel sales beyond own petrol stations. Sales volumes on ORLEN Deutschland fuel stations decreased by (-) 4 % (y/y).

Upstream – EBITDA
Positive impact of macro at lower sales volumes

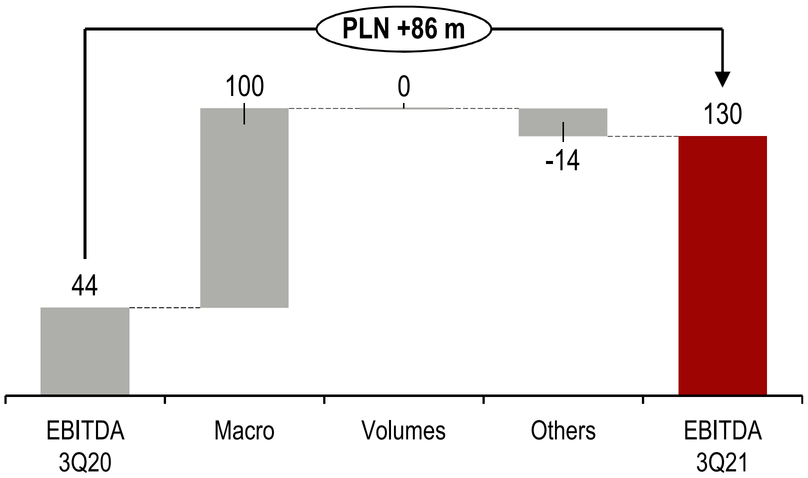
EBITDA
PLN, m



Canadian Light Sweet crude oil (CLS) and AECO gas prices
CAD/bbl, CAD/mcf



EBITDA – impact of factors
PLN, m



- Positive macro impact (y/y) as a result of increase in prices of all hydrocarbons (crude oil, gas and NGL's) at comparable effect on hedging transactions.
- Lower sales by (-) 6% (y/y) as a result of unplanned shutdown of infrastructure at external hydrocarbon customer in Canada.
- Increase of average production by 0,2 th. boe/d (y/y), including: in Canada by 0,1 th. boe/d and in Poland by 0,1 th. boe/d.
- Others include mainly increase in the tax on extraction and certain minerals due to higher prices of hydrocarbons and the operating costs of the new Bystrowice mine.

Operational results before impairments of assets: 3Q20 PLN 10 m / 2Q21 PLN 0 m / 3Q21 PLN 0 m / 9M20 PLN (-) 619 m / 9M21 PLN 0 m
Macro: margins PLN 99 m, hedging PLN 1 m

Upstream – operational data
Increase of average production by 0,2 th. boe/d (y/y)

Poland

Total reserves of crude oil and gas (2P)

10,1 m boe* (5% liquid hydrocarbons, 95% gas)

3Q21

Average production: 1,0 th. boe/d (100% gas)

EBITDA: PLN 22 m** / CAPEX: PLN 44 m

9M21

Average production: 1,1 th. boe/d (100% gas)

EBITDA: PLN 25 m** / CAPEX: PLN 78 m

- Development of existing assets:
  - (Miocen) – optimization works of installation on Bystrowice field were conducted.
  - (Edge) – development works on Tuchola and Bajerze fields based on electricity generating from nitrogen-rich gas were conducted.
  - (Płotki) – continuation of the development of Chwalęcin and Grodzewo gas discoveries and works related to equipping production fields with gas compressors were realized in cooperation with PGNiG.
- Drilling works:
  - (Miocen) – drilling of Pruchnik-OU1 well was started.
  - (Płotki) – design and preparatory works for drilling future wells were continued.
- Seismic activity:
  - (Edge) – the interpretation works of Koczała-Miastko 3D seismic photo were realized.

Canada

Total reserves of crude oil and gas (2P)

163,9 mln boe* (60% liquid hydrocarbons, 40% gas)

3Q21

Average production: 16,0 th. boe/d (50% liquid hydrocarbons)

EBITDA: PLN 108 m** CAPEX: PLN 30 m

9M21

Average production: 15,8 th. boe/d (47% liquid hydrocarbons)

EBITDA: PLN 179 m**/ CAPEX: PLN 135 m

- Development of existing assets:
  - (Kakwa) – drilling of new well (75% share) was started. Preparations for drilling of next wells.
  - (Ferrier) – drilling was finished, fracturing on two new drills (100% share) were conducted and production was started.
  - (Kaybob) – drilling works and fracturing on wells were finished (23% share). Well added to production.
- Few-days maintenance shutdown of gas processed unit was conducted (Kakwa).
- Pro-environmental activities are conducted to reduce greenhouse gas emissions and meet all environmental requirements introduced by the federal and provincial governments.
- Temporary limitation of hydrocarbon production from Kakwa area due to unplanned infrastructure shutdown at an external hydrocarbon consumer caused by fire.

* Data as of 31.12.2020 (Canada) / 01.01.2021 (Poland)
** Operational results before impairments of assets: 3Q21 PLN 0 m / 9M21 PLN 0 m

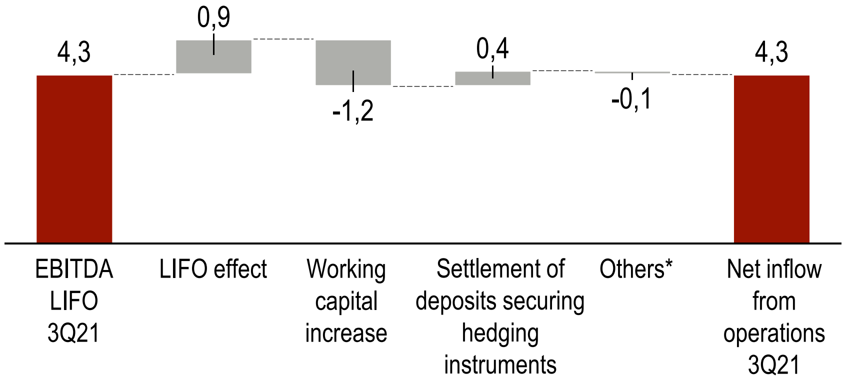
Agenda

- Quarterly summary
- Market environment
- Financial and operating results
- Financial strength
- Market outlook

Cash flow

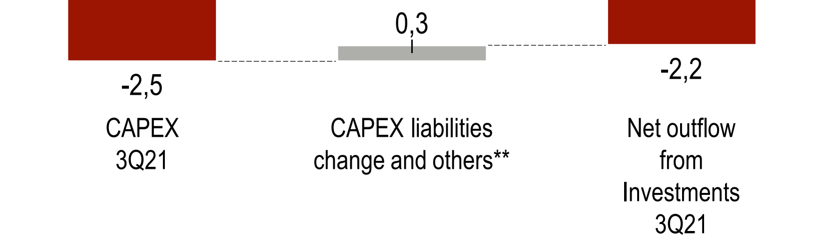
Cash flow from operations

PLN bn



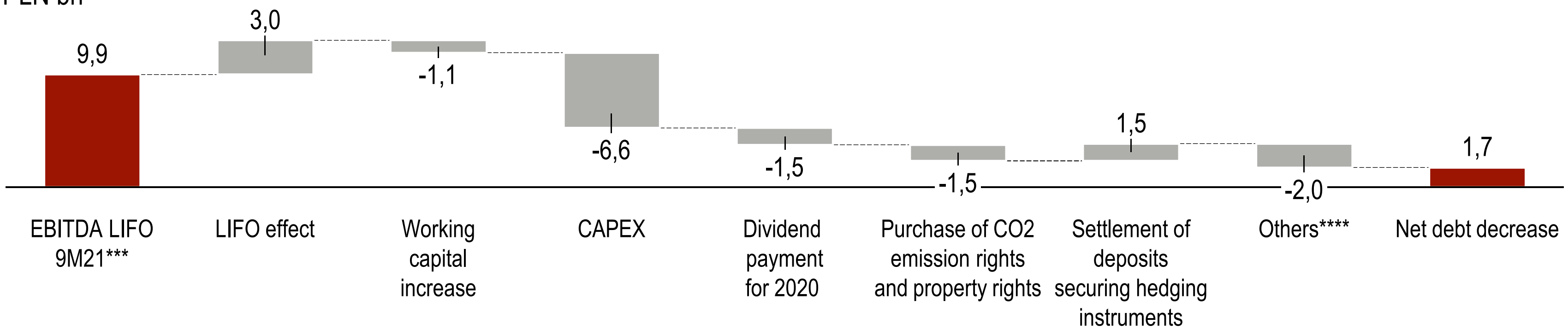
Cash flow from investments

PLN bn



Free cash flow 9M21

PLN bn



* Includes: income tax paid PLN (-) 0,4 bn, capital adjustments PLN (-) 0,1 bn, adjustment for changes in the balance of reserves PLN 1,5 bn, settlement of CO_2 subsidies PLN (-) 0,8 bn, settlement and valuation of derivatives PLN (-) 0,3 bn.

** Includes: recognition of the right to use assets PLN 0,3 bn, settlement of derivatives not designated as hedge accounting PLN (-) 0,2 bn, purchase of CO_2 rights PLN (-) 0,1 bn.

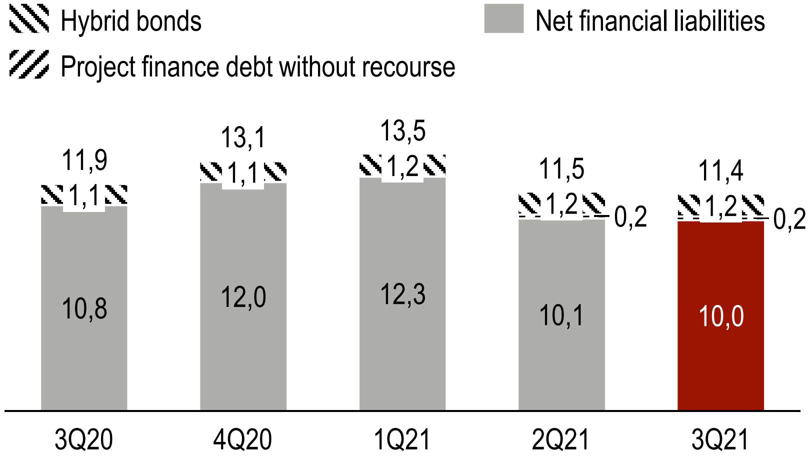
*** Includes: PLN 0,2 bn positive impact of inventories revaluation (NRV)

**** Includes: acquisition of subsidiaries shares reduced by cash PLN (-) 0,8 bn, adjustment in advance payments PLN (-) 0,4 bn, income tax paid PLN (-) 1,0 bn, lease payments PLN (-) 0,5 bn, interest paid PLN (-) 0,4 bn, dividends received PLN 0,2 bn, settlement of derivatives not designated as hedge accounting PLN (-) 0,7 bn, settlement and valuation of derivatives PLN (-) 0,8 bn, recognition of the right to use assets PLN 0,9 bn, capital adjustments PLN (-) 0,4 bn, adjustment for changes in the balance of reserves PLN 3,9 bn, settlement of CO_2 subsidies PLN (-) 1,6 bn and the net effect of valuation and revaluation of debt due to FX differences PLN (-) 0,4 bn.

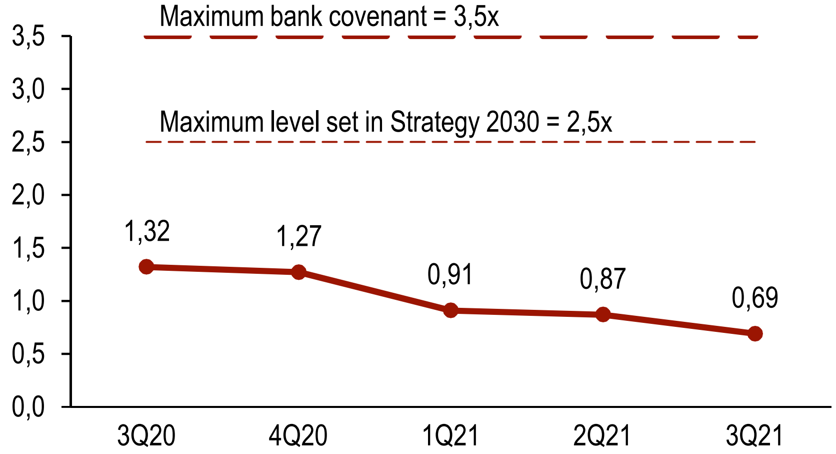
Debt

Net debt

PLN bn

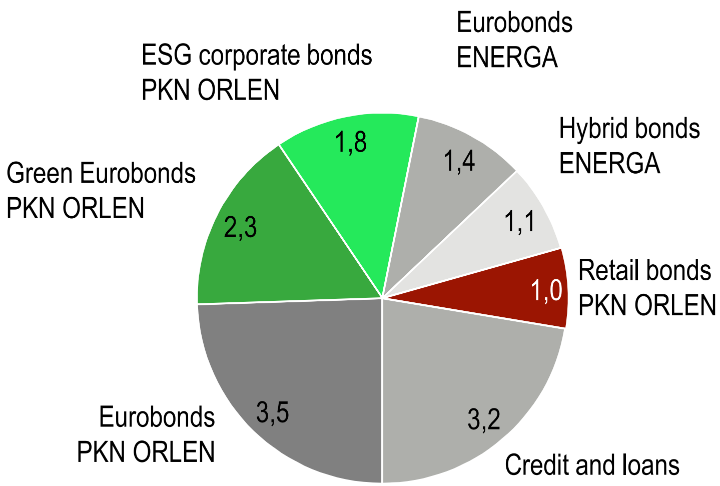


Net debt/EBITDA*



Gross debt – sources of financing

PLN bn

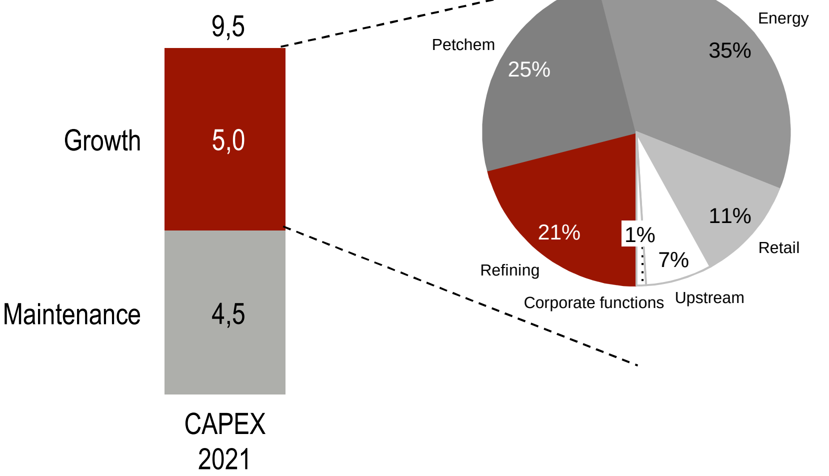


- Gross debt currency structure: EUR 61%, PLN 37%, CZK 2%
- Average maturity: 2023
- Investment grade: BBB- positive outlook (Fitch), Baa2 positive outlook (Moody's).
- Net debt decrease by PLN (-) 0,1 bn (q/q) to the level of PLN 11,4 bn as a result of positive cash flow from operations of PLN 4,3 bn at cash outflow from investments of PLN (-) 2,2 bn, dividend paid in the amount of PLN (-) 1,5 bn, payments of lease liabilities of PLN (-) 0,2 bn, paid interest of PLN (-) 0,1 bn and PLN (-) 0,3 bn FX differences from debt valuation.
- Obligatory reserves in the balance sheet at the end of 3Q21 amounted to PLN 5,4 bn, of which PLN 4,7 bn in Poland.

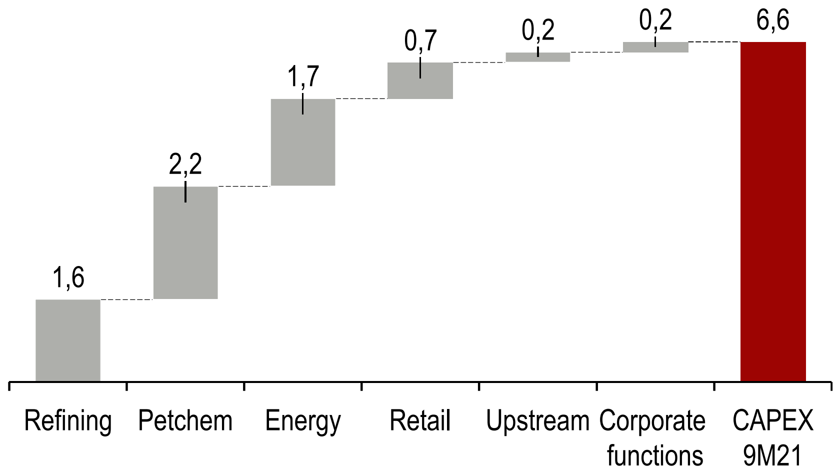
* The level of net debt adopted for the calculation of the ratio does not take into account project finance debt without recourse and hybrid bond issue

CAPEX

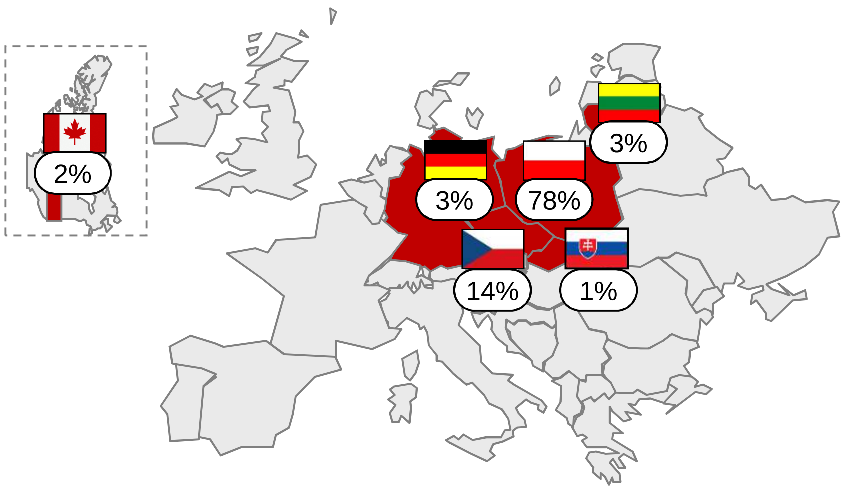
Planned CAPEX
PLN bn, %



Realized CAPEX 9M21 – split by segment
PLN bn



Realized CAPEX 9M21 – split by country
%



Growth projects realized in 3Q21

Refining
- Construction of Visbreaking unit in Płock
- Construction of Propylene Glycol in ORLEN Południe

Petchem
- Extension of Olefin capacities in Plock
- Extension of fertilizers production in Anwil

Energy
- Modernization of current assets and connection of new clients in ENERGA Group
- Modernization of TG1 turbine set at the Heat and Power Plant in Płock

Retail
- Fuel stations – 8 opened/included in the network, 10 closed/cooperation ended
- Non-fuel sales – 12 Stop Cafe/Star Connect locations opened
- Alternative fuel points – 143 opened

Upstream
- Focus on perspective projects: Canada (Kakwa and Ferrier) / Poland (Egde, Miocen and Płotki)

CAPEX 3Q21 amounted to PLN 2 481 m: Refining PLN 682 m, Petchem PLN 819 m, Energy PLN 572 m, Retail PLN 271 m, Upstream PLN 74 m, CF PLN 63 m.

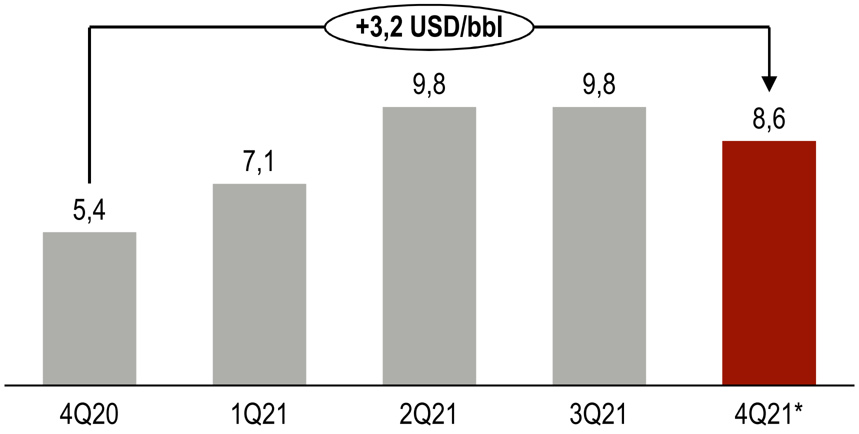
Agenda

- Quarterly summary
- Market environment
- Financial and operating results
- Financial strength
- Market outlook

Macro environment in 4Q21

Model downstream margin

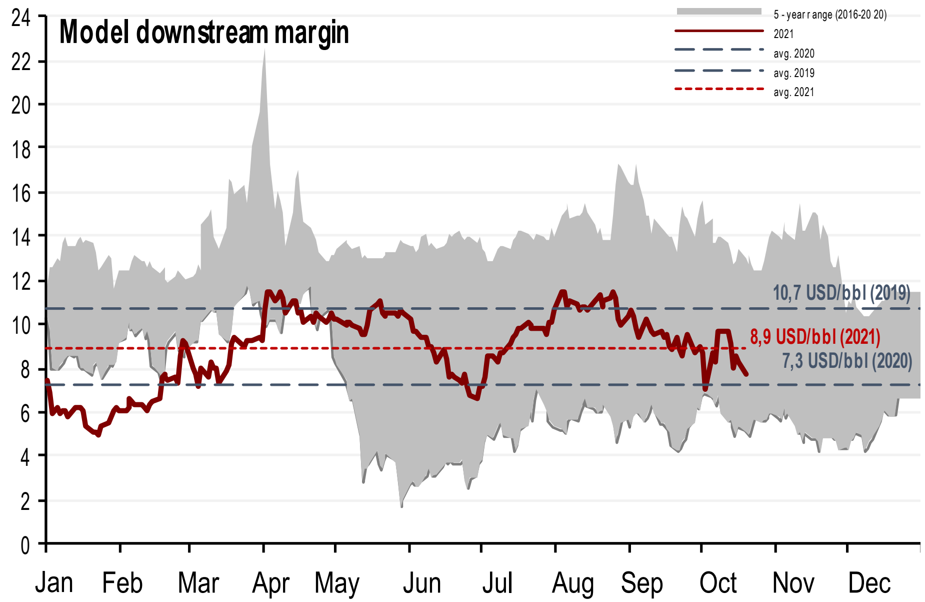
USD/bbl



Product slate of downstream margin

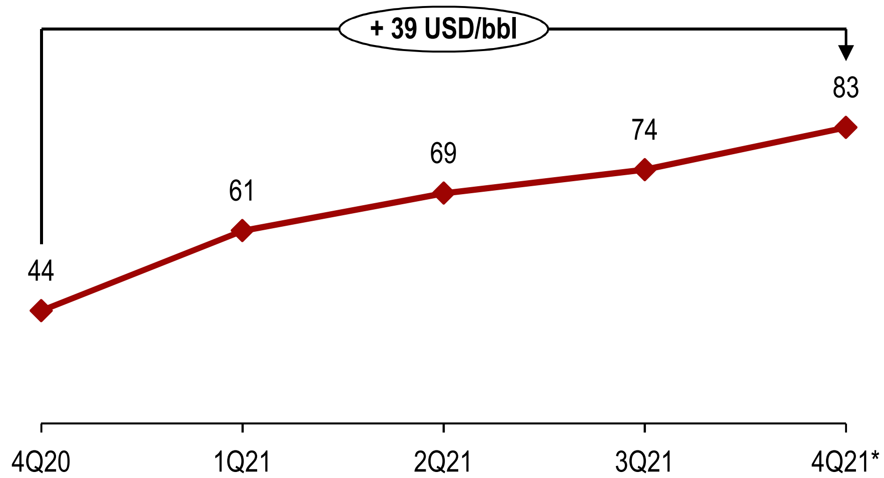
Crack margins

Refining products (USD/t)	4Q20	3Q21	4Q21*	(Q/Q)	(Y/Y)
Diesel	33	48	91	90%	176%
Gasoline	71	175	191	9%	169%
HSFO	-80	-162	-168	-4%	-110%
SN 150	261	576	162	-72%	-38%
Petchem products (EUR/t)					
Ethylene	502	678	650	-4%	29%
Propylene	445	677	653	-4%	47%
Benzene	150	389	240	-38%	60%
PX	236	339	307	-9%	30%



Average Brent crude oil price

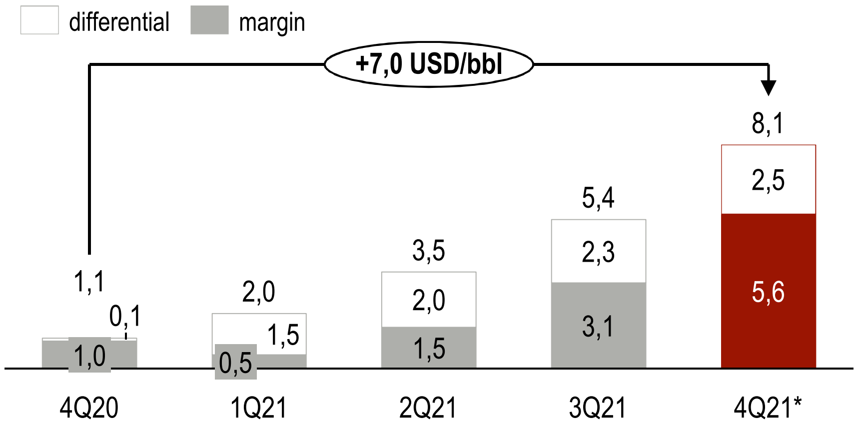
USD/bbl



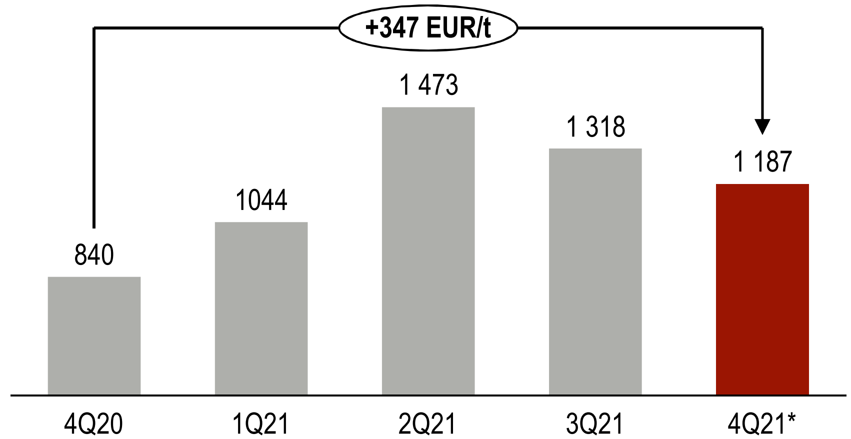
* Data as of 22.10.2021

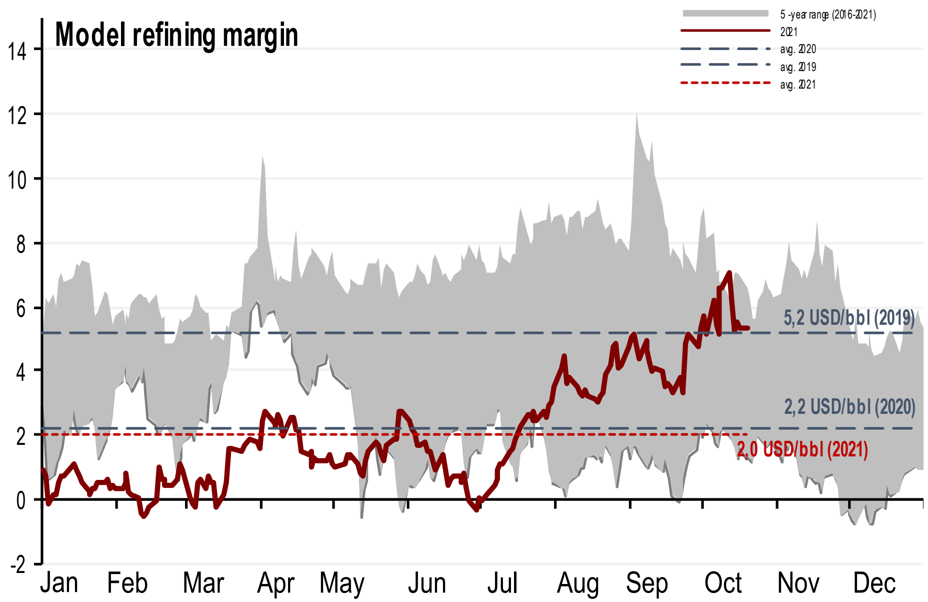
Macro environment in 4Q21

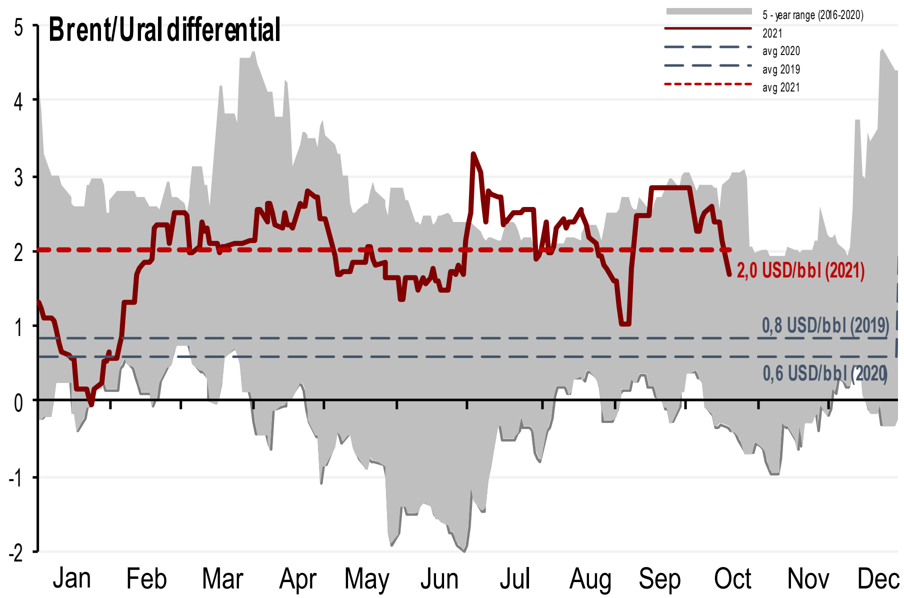
Model refining margin and Brent/Ural differential
USD/bbl



Model petrochemical margin
EUR/t







* Data as of 22.10.2021

Market outlook

Macro

- Brent crude oil – we expect crude oil prices to remain at the level of ca. 85 USD/bbl until the end of the year as an effect of the large demand for the crude oil coming from the energy sector due to high natural gas prices.
- Refining margin – we expect refining margins to remain at the average level of ca. 3-4 USD/bbl. Strong increase in demand for crude oil and fuels resulted in margins improvement and limited pressure for refining capacity reduction that finally has not been reduced. In the short term refining margins are strongly dependent on the crude oil prices but in the longer term, the global refining capacity surplus will continue to weigh heavily.
- Petchem margin – we expect petchem margins to remain at the current high level of ca. 1100-1200 EUR/t. The factor that supports petchem margins is demand that is strictly correlated with GDP and lower import limited by the increase of freight costs. The improvement of margins is limited due to growing crude oil and natural gas prices.
- Gas – on the European market we observe record quotations of natural gas as well as record natural gas prices volatility as an effect of its limited supply (limited deliveries of natural gas from Russia to Northwestern Europe and remained limited availability of LNG loads), increased demand stimulated by the economic recovery after the pandemic period, beginning of heating season and low level of stocks in Europe. The stocks have not been recovered before the winter to the level observed in the previous years what can cause worries about assuring deliveries in the winter period, especially in case of strong drop of temperature.
- Electricity – since the beginning of the year quotations of BASE_Y-22 contract is higher by 84% (from the level of 250 PLN/MWh to 461 PLN/MWh) due to increase in CO2 emission prices by 83% (from the level of 35 EUR/t to 64 EUR/t) and increase in natural gas prices to the record level of 334 PLN/MWh. Worries about cold winter, high demand for electricity as well as increasing demand from China for coal can be additional factors supporting grows.

Economy

- GDP forecast* – Poland 5,1%, the Czech Rep. 3,5%, Lithuania 4,9%, Germany 3,3%
- Fuel consumption – increase in fuel demand as a result of economic recovery.

Regulation

- National Index Target – base level for 2021 set on 8,7% (reduced ratio for PKN ORLEN is 5,707%)
- Retail tax – imposed on retail sales revenues
- Capacity Market – additional revenues supporting Energy sector

* Poland (BGK, September 2021); Germany (CE, September 2021); Czech Republic (CNB, August 2021); Lithuania (LB, September 2021)

Thank you for your attention

In case of any questions please contact IR Department:

phone: + 48 24 256 81 80

e-mail: ir@orlen.pl

www.orlen.pl

Agenda

Supporting slides

Results – split by quarter

PLN m	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Revenues	22 077	17 010	23 918	23 175	24 562	29 423	36 442
EBITDA LIFO	1 607	2 013	1 970	2 773	2 386	3 206	4 266
LIFO effect	-2 072	-466	267	-103	1 142	963	890
EBITDA	-465	1 547	2 237	2 670	3 528	4 169	5 156
Depreciation	-935	-1 128	-1 188	-1 301	-1 292	-1 313	-1 328
EBIT LIFO	672	885	782	1 472	1 094	1 893	2 938
EBIT	-1 400	419	1 049	1 369	2 236	2 856	3 828
Net result	-2 245	306	677	25	1 873	2 243	2 928

2Q20 does not include profit on a bargain purchase of ENERGA shares in the amount of PLN 4 062 m.
Operational results before impairments of assets: 1Q20 PLN (-) 504 m / 2Q20 PLN (-) 146 m / 3Q20 PLN 8 m / 4Q20 PLN (-) 949 m / 1Q21 PLN (-) 4 m / 2Q21 PLN (-) 85 m / 3Q21 PLN (-) 3 m

EBITDA LIFO – split by segment

PLN m	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
EBITDA LIFO	**1 607**	**2 013**	**1 970**	**2 773**	**2 386**	**3 206**	**4 266**
NRV	-1 609	1 207	-66	359	193	14	3
hedge	1 230	-115	1	369	96	348	287
including: hedge CO2	n/a	n/a	n/a	700	568	764	491
LIFO effect	-2 072	-466	267	-103	1 142	963	890
EBITDA	**-465**	**1 547**	**2 237**	**2 670**	**3 528**	**4 169**	**5 156**
Refining LIFO	**-353**	**614**	**-370**	**-128**	**2**	**298**	**1 165**
NRV	-1 551	1 168	-65	366	157	15	1
hedge	1 049	-82	-3	-312	-230	-117	-71
including: hedge CO2	n/a	n/a	n/a	n/a	193	260	159
LIFO effect	-1 946	-526	270	-78	1 074	923	860
Refining LIFO	**-2 299**	**88**	**-100**	**-206**	**1 076**	**1 221**	**2 025**
Petchem LIFO	**766**	**251**	**502**	**558**	**872**	**1 021**	**1 013**
NRV	-58	39	-1	-7	36	-1	2
hedge	73	-13	17	-3	227	308	172
including: hedge CO2	n/a	n/a	n/a	n/a	213	287	135
LIFO effect	-126	60	-3	-25	68	40	30
Petchem LIFO	**640**	**311**	**499**	**533**	**940**	**1 061**	**1 043**
Energy	**488**	**759**	**1 022**	**1 124**	**1 240**	**1 234**	**1 042**
hedge CO2	n/a	n/a	n/a	n/a	162	217	197
Retail	**706**	**726**	**1 035**	**765**	**548**	**828**	**948**
Upstream	**219**	**10**	**44**	**49**	**14**	**60**	**130**
hedge	107	-20	-12	-16	-63	-60	-11
Corporate functions	**-219**	**-347**	**-263**	**405**	**-290**	**-235**	**-32**
hedge CO2	0	0	0	700	0	0	0

2Q20 does not include profit on a bargain purchase of ENERGA shares in the amount of PLN 4 062 m.
Operational results before impairments of assets: 1Q20 PLN (-) 504 m / 2Q20 PLN (-) 146 m / 3Q20 PLN 8 m / 4Q20 PLN (-) 949 m / 1Q21 PLN (-) 4 m / 2Q21 PLN (-) 85 m / 3Q21 PLN (-) 3 m

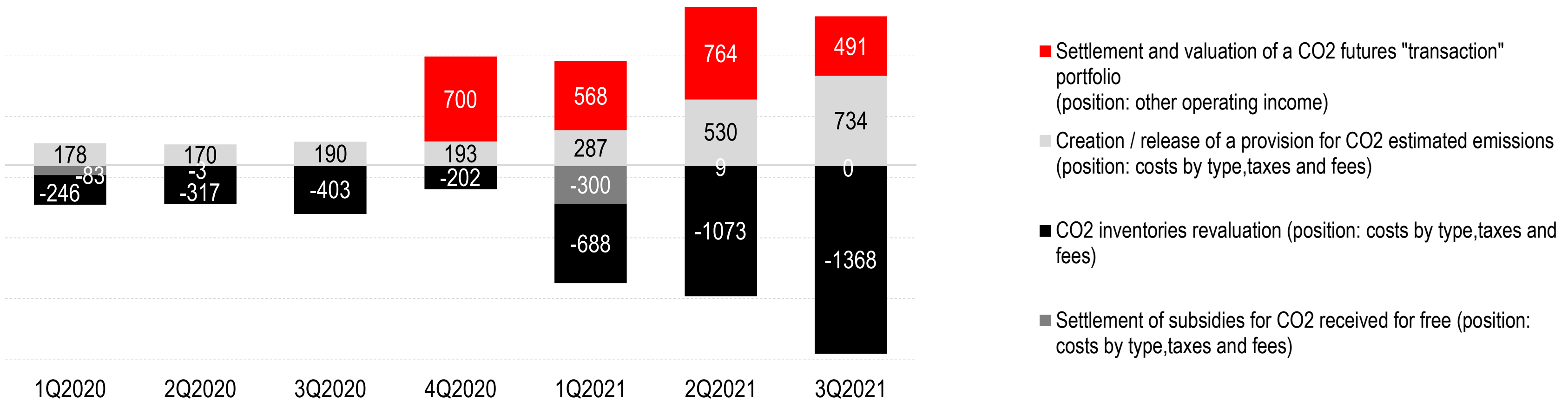
Effect of the operations related to reserve on CO2 and valuation of CO2 contracts on PKN ORLEN consolidated financial results

Contracts portfolio for purchase of CO2 emission rights in PKN ORLEN and EUA balance on ORLEN Group accounts (mt)

Portfolios	Approach to valuation	31.03.20	30.06.20	30.09.20	31.12.20	31.03.21	30.06.21	30.09.21
Own contracts portfolio for purchase of emission rights	Is not subject to fair value valuation at the balance sheet date	12,04	12,42	13,15*	7,42	0,46**	1,49	1,68
Transaction portfolio for purchase of emission rights	It is subject to fair value valuation at the balance sheet date	n/d	n/d	n/d	12,20	12,40	12,79	17,58
EUA portfolio on ORLEN Group accounts (intangible assets)	Is not subject to fair value valuation at the balance sheet date***	25,10	9,98	10,51	10,92	18,79	2,14	3,05

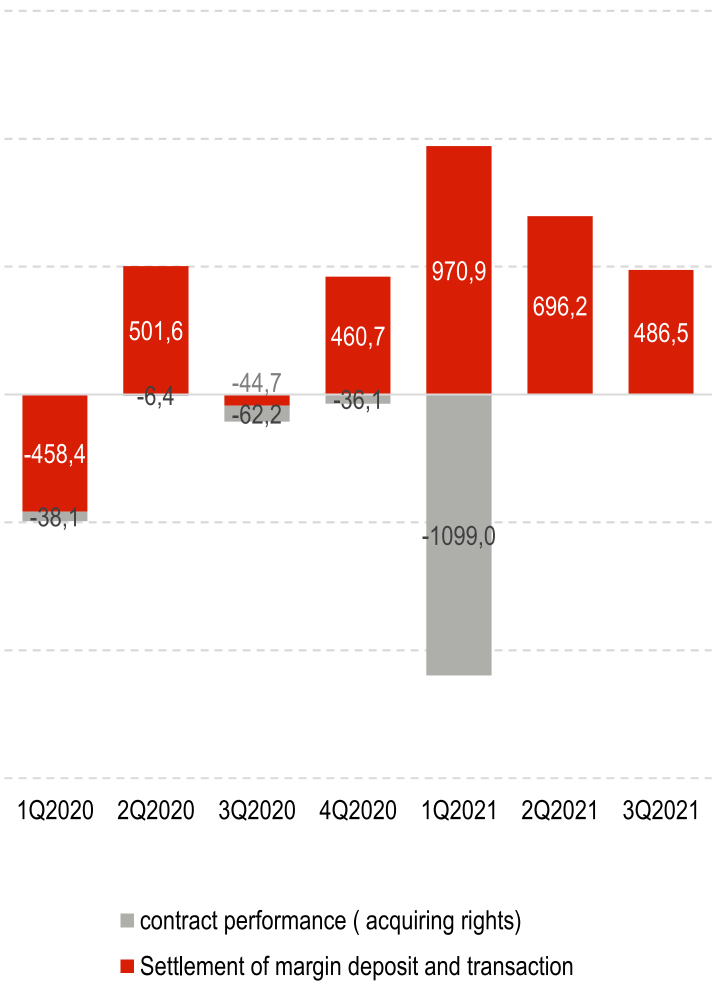
* Transaction portfolio has been spun off in 4Q2020 in connection to part of CO2 emission rights contracts rolled for the next term (according to MSSF9)
** In 23 March 2021, 7,0 million contracts have been purchased for settlement purpose on April 2021
*** Recognized as intangible assets, which are not amortized and analyzed for impairment. Purchased rights valuated according to the purchase price, received for free in fair value fixed for registration on the account day less any write-offs for impairment

Impact of activities related to CO2 on PKN ORLEN consolidated financial result (PLN m)

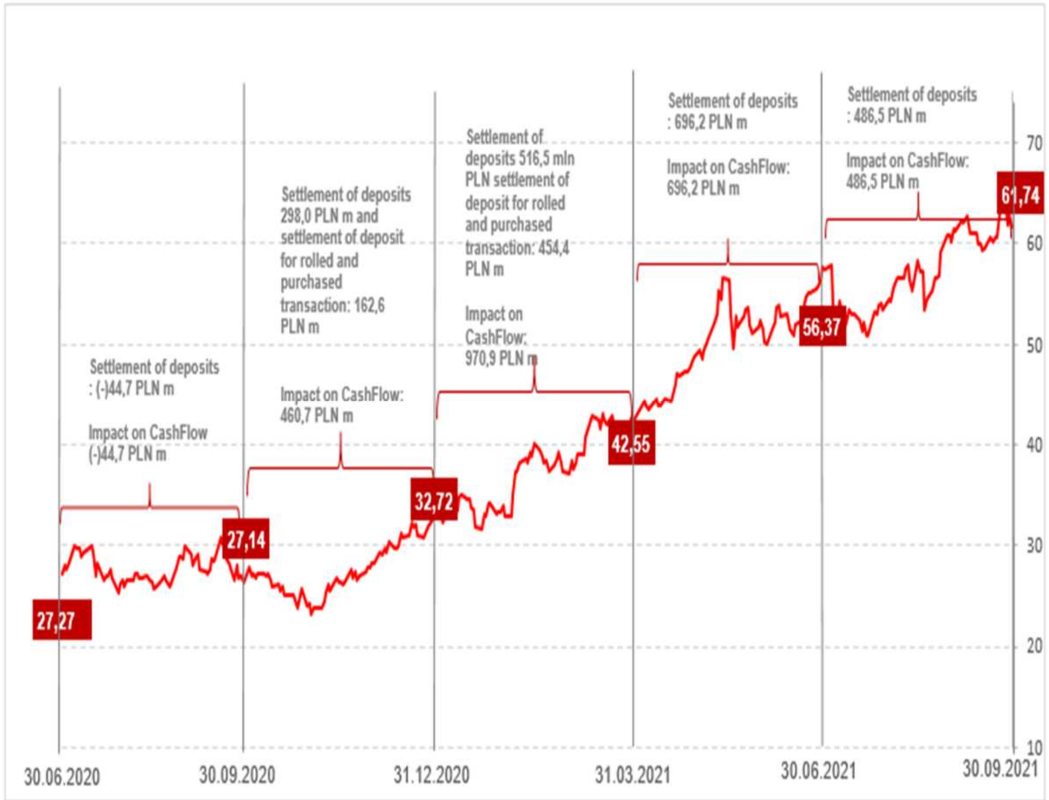


Settlement of securing deposit and realization of CO2 contracts on cash flow – (illustrative value)

Impact on cash flow (PLN m)



Impact on cash flow from settlement of securing deposit and settlement of transactions vs CO2 contracts quotations



Results – split by company

3Q21 PLN m	PKN ORLEN	ORLEN Unipetrol [2]	ORLEN Lietuva [2]	ENERGA Group [2]	Others and consolidation corrections	TOTAL
Revenues	25 458	6 416	5 647	3 317	-4 396	36 442
EBITDA LIFO	2 102	425	127	717	895	4 266
LIFO effect [1]	771	75	47	-	-3	890
EBITDA	2 873	500	174	717	892	5 156
Depreciation	514	247	42	266	259	1 328
EBIT	2 359	253	132	451	633	3 828
EBIT LIFO	1 588	178	85	451	636	2 938
Financial income	213	37	9	13	20	292
Financial costs	-410	-40	-13	-43	-51	-557
Net result	1 811	203	112	330	472	2 928

[1] Calculated as a difference between operating profit acc. to LIFO and operating profit based on weighted average
[2] Presented data shows ORLEN Unipetrol Group, ORLEN Lietuva and ENERGA Group results acc. to IFRS before taking into account adjustments made for ORLEN Group consolidation

ORLEN Lietuva

PLN m	3Q20	2Q21	3Q21	∆ (y/y)	9M20	9M21	∆
Revenues	2 891	4 372	5 647	95%	8 200	12 867	57%
EBITDA LIFO	-158	-64	127	-	-563	129	-
EBITDA	-41	-5	174	-	-576	299	-
EBIT	-78	-45	132	-	-687	181	-
Net result	-54	-47	112	-	-551	154	-

- Increase in revenues (y/y) as a result of increase in product quotations and higher sales volumes in the refining segment.
- Higher utilization by 4 pp (y/y). Higher fuel yield by 6 pp (y/y) due to higher share of low-sulphur types of crude oil and usage of semi-products from inventories.
- EBITDA LIFO higher by PLN 285 m PLN (y/y) due to positive macro impact mainly: B/U differential, margins on light and middle distillates, higher trade margins and usage of historical inventory layers. Additionally, lack of negative impact of inventory revaluation (NRV) from 3Q20 in the amount of PLN 51 m (y/y).
- CAPEX 3Q21: PLN 37 m / 9M21: PLN 168 m.

Operational results before impairments of assets: 3Q20 PLN 0 m / 2Q21 PLN (-) 2 m / 3Q21 PLN 1 m / 9M20 PLN 0 m / 9M21 PLN (-) 1 m

ORLEN Unipetrol

PLN m	3Q20	2Q21	3Q21	Δ (y/y)	9M20	9M21	Δ
Revenues	3 795	5 676	6 416	69%	10 343	16 439	59%
EBITDA LIFO	-93	283	425	-	-96	855	-
EBITDA	31	427	500	1513%	-249	1 309	-
EBIT	-163	186	253	-	-847	582	-
Net Result	-125	112	203	-	-686	430	-

- Increase in revenues (y/y) as a result of higher quotations of refining and petrochemical products and higher sales volumes.
- Comparable level of utilization (y/y). Higher fuel yield by 3 pp (y/y) due to higher share of low-sulphur types of crude oil and lower range of maintenance shutdowns (y/y).
- EBITDA LIFO higher by PLN 518 m (y/y) as a result of positive macro impact, mainly Brent/Ural differential, light and middle distillates margins and olefins, polyolefins and PVC. Additionally, positive impact of higher sales volumes in petchem and retail, usage of historical inventory layers, higher trade margins on petchem products at negative impact of higher CO2 emission costs, higher overheads and labor costs.
- CAPEX 3Q21: PLN 415 m / 9M21: PLN 956 m.

Operational results before impairments of assets: 3Q20 PLN (-) 1 m / 2Q21 PLN (-) 1 m / 3Q21 PLN (-) 1 m / 9M20 PLN (-) 1 m / 9M21 PLN (-) 4 m

ENERGA Group

PLN m	3Q20	2Q21	3Q21	Δ (y/y)	9M20	9M21	Δ
Revenues	3 013	3 228	3 317	10%	9 108	9 986	10%
EBITDA	501	659	692	38%	1 556	2 109	36%
EBIT	238	385	425	79%	771	1 304	69%
Net result	85	284	295	247%	-682	963	-

- Increase in revenues (y/y) as a result of higher revenues in Production Business Line (higher electricity production in Ostrołęka Power Plant, higher energy sales prices and implementation of Capacity Market since 2021) and Sales Business Line (increase in energy sales prices on the wholesale market).
- EBITDA higher by PLN 191 (y/y) as a result of higher EBITDA of Sales Business Line (low base effect – unfavourable tariff in 2020 set by the President of Energy Regulatory Office for households and pandemic period - realization of losses on electricity surpluses sales) and overall improvement in the profitability of electricity sales to the end users in 2021.
- CAPEX 3Q21: PLN 420 m.

EBIT results before impairments of assets: 3Q20 PLN (-) 2 m / 2Q21 PLN (-) 62 m / 3Q21 PLN 5 m / 9M20 PLN (-) 472 m / 9M21 PLN (-) 67 m

Production data

ORLEN Group	3Q20	2Q21	3Q21	Δ (y/y)	Δ (q/q)	9M20	9M21	Δ
Crude oil throughput (kt)	8 219	6 810	8 319	1%	22%	22 094	21 366	-3%
Utilization	93%	78%	94%	1 pp	16 pp	84%	81%	-3 pp
PKN ORLEN [1]								
Crude oil throughput (kt)	4 204	3 286	4 139	-2%	26%	11 635	10 465	-10%
Utilization	103%	81%	101%	-2 pp	20 pp	95%	86%	-9 pp
Fuel yield [4]	83%	83%	84%	1 pp	1 pp	84%	82%	-2 pp
Light distillates yield [5]	34%	29%	34%	0 pp	5 pp	35%	32%	-3 pp
Middle distillates yield [6]	49%	54%	50%	1 pp	-4 pp	49%	50%	1 pp
ORLEN Unipetrol [2]								
Crude oil throughput (kt)	1 914	1 615	1 935	1%	20%	4 337	5 189	20%
Utilization	88%	74%	88%	0 pp	14 pp	67%	80%	13 pp
Fuel yield [4]	80%	83%	83%	3 pp	0 pp	82%	83%	1 pp
Light distillates yield [5]	35%	37%	37%	2 pp	0 pp	36%	37%	1 pp
Middle distillates yield [6]	45%	46%	46%	1 pp	0 pp	46%	46%	0 pp
ORLEN Lietuva [3]								
Crude oil throughput (kt)	2 065	1 827	2 185	6%	20%	5 932	5 484	-8%
Utilization	81%	72%	85%	4 pp	13 pp	78%	72%	-6 pp
Fuel yield [4]	75%	82%	81%	6 pp	-1 pp	76%	81%	5 pp
Light distillates yield [5]	31%	35%	34%	3 pp	-1 pp	31%	34%	3 pp
Middle distillates yield [6]	44%	47%	47%	3 pp	0 pp	45%	47%	2 pp

[1] Throughput capacity for Plock refinery is 16,3 mt/y
[2] Throughput capacity for Unipetrol is 8,7 mt/y [Litvinov (5,4 mt/y) and Kralupy (3,3 mt/y)]
[3] Throughput capacity for ORLEN Lietuva is 10,2 mt/y
[4] Fuel yield equals middle distillates yield plus light distillates yield. Differences may occur from rounding
[5] Light distillates yield is a ratio of gasoline, naphtha, LPG production excluding BIO and internal transfers to crude oil throughput
[6] Middle distillates yield is a ratio of diesel, light heating oil (LHO) and JET production excluding BIO and internal transfers to crude oil throughput

Dictionary

Model downstream margin = revenues (90,7% Products = 22,8% Gasoline + 44,2% Diesel + 15,3% HHO + 1,0% SN 150 + 2,9% Ethylene + 2,1% Propylene + 1,2% Benzene + 1,2% PX) – costs (input 100% = 6,5% Brent crude oil + 91,1% URAL crude oil + 2,4% natural gas).
Cracks for petrochemical products calculated as the difference between the quotation of a given product and Brent DTD oil price.

Model refining margin = revenues (93,5% Products = 36% Gasoline + 43% Diesel + 14,5% HHO) **-** costs (100% input: crude oil and other raw materials).
Total input calculated acc. to Brent Crude quotations. Spot market quotations.

Spread Ural Rdam vs fwd Brent Dtd = Med Strip **-** Ural Rdam (Ural CIF Rotterdam).

Model petrochemical margin = revenues (98% Products = 44% HDPE + 7% LDPE + 35% PP Homo + 12% PP Copo) **-** costs (100% input = 75% Naphtha + 25% LS VGO).
Contract market quotations.

Fuel yield = middle distillates yield + gasoline yield (yields calculated in relation to crude oil)

Working capital (in balance sheet) = inventories + trading receivables and other receivables – trading liabilities and other liabilities

Working capital change (in cash flow) = changes in receivables + changes in inventories + changes in liabilities

Net debt = (short-term + long-term loans, borrowings and bonds) – cash

Disclaimer

This presentation ("Presentation") has been prepared by PKN ORLEN S.A. ("PKN ORLEN" or "Company"). Neither the Presentation nor any copy hereof may be copied, distributed or delivered directly or indirectly to any person for any purpose without PKN ORLEN's knowledge and consent. Copying, mailing, distribution or delivery of this Presentation to any person in some jurisdictions may be subject to certain legal restrictions, and persons who may or have received this Presentation should familiarize themselves with any such restrictions and abide by them. Failure to observe such restrictions may be deemed an infringement of applicable laws.

This Presentation contains neither a complete nor a comprehensive financial or commercial analysis of PKN ORLEN and of the ORLEN Group, nor does it present its position or prospects in a complete or comprehensive manner. PKN ORLEN has prepared the Presentation with due care, however certain inconsistencies or omissions might have appeared in it. Therefore it is recommended that any person who intends to undertake any investment decision regarding any security issued by PKN ORLEN or its subsidiaries shall only rely on information released as an official communication by PKN ORLEN in accordance with the legal and regulatory provisions that are binding for PKN ORLEN.

The Presentation, as well as the attached slides and descriptions thereof may and do contain forward-looking statements. However, such statements must not be understood as PKN ORLEN's assurances or projections concerning future expected results of PKN ORLEN or companies of the ORLEN Group. The Presentation is not and shall not be understood as a forecast of future results of PKN ORLEN as well as of the ORLEN Group.

It should be also noted that forward-looking statements, including statements relating to expectations regarding the future financial results give no guarantee or assurance that such results will be achieved. The Management Board's expectations are based on present knowledge, awareness and/or views of PKN ORLEN's Management Board's members and are dependent on a number of factors, which may cause that the actual results that will be achieved by PKN ORLEN may differ materially from those discussed in the document. Many such factors are beyond the present knowledge, awareness and/or control of the Company, or cannot be predicted by it.

No warranties or representations can be made as to the comprehensiveness or reliability of the information contained in this Presentation. Neither PKN ORLEN nor its directors, managers, advisers or representatives of such persons shall bear any liability that might arise in connection with any use of this Presentation. Furthermore, no information contained herein constitutes an obligation or representation of PKN ORLEN, its managers or directors, its Shareholders, subsidiary undertakings, advisers or representatives of such persons.

This Presentation was prepared for information purposes only and is neither a purchase or sale offer, nor a solicitation of an offer to purchase or sell any securities or financial instruments or an invitation to participate in any commercial venture. This Presentation is neither an offer nor an invitation to purchase or subscribe for any securities in any jurisdiction and no statements contained herein may serve as a basis for any agreement, commitment or investment decision, or may be relied upon in connection with any agreement, commitment or investment decision

In case of any questions please contact IR Department:
phone: + 48 24 256 81 80
e-mail: ir@orlen.pl

www.orlen.pl