PKN ORLEN consolidated financial results
4Q20

4 February 2021

#ORLEN4Q20@PKN_ORLEN

Agenda

Key facts and figures

Macro environment

Financial and operating results

Liquidity and investments

Outlook

Key facts and figures 2020

- EBITDA LIFO: PLN 12,1 bn*
- Macro worsening: downstream margin decreased by (-) 3,4 USD/bbl (y/y) i.e. (-) 32%
- Crude oil throughput: 29,5 mt, i.e. 84% capacity utilization
- Sales: 38,3 mt, i.e. decrease by (-) 12% (y/y)
- Cash flow from operations: PLN 7,6 bn / CAPEX: PLN 9,0 bn
- Net debt: PLN 13,1 bn / Net debt/EBITDA: 1,32x
- Dividend: PLN 0,4 bn (1,00 PLN/share) paid for 2019
- Moody's upgraded rating outlook from negative to positive and maintaining rating at Baa2
- Securing financing of current operations and growth projects by signing a revolving credit facility agreement up to EUR 1,75 bn and issue 5-year corporate bonds associated with ESG rating of PLN 1,0 bn.

- M&A: LOTOS Group - obtaining a conditional approval of EC for takeover. Ongoing talks with potential partners and internal work on separating LOTOS Group assets as part of remedies / ENERGA Group - acquisition of 90.92% of shares / PGNiG Group - signing a letter of intent with the State Treasury. Ongoing due diligence process and works on concentration application to the EC / RUCH - acquisition of 65% of shares and gaining control
- Investments: Building of Visbreaking unit in Płock / Building of a propylene glycol unit in ORLEN Południe / Project of Hydrocracking and HDS Units modernization in Płock / Signing an agreement for the purchase of a license and base project for modernization of H-Oil unit and for the expansion of phenol production capacity / Completion of Polyethylene unit in the Czech Rep. / Expansion of fertilizers production capacity in Anwil / Submission of environmental report, selection of a designer and commencement of geological testing on the connection route for offshore wind farm on the Baltic Sea / Analysis of the possibility of building 20 biogas plants in ORLEN Południe / Construction of CCGT unit in Ostrołęka together with PGNiG and CCGT unit in Gdańsk together with ENERGA Group and LOTOS Group / Process of selecting a contractor for the hydrogen hub in Włocławek
- Retail: Expansion of retail segment in Lithuania and Germany and growth of fuel stations network in Slovakia / Introduction ORLEN brand at foreign stations of the concern as part of cobranding / Launching of another drive-through station in Poland (the most modern format in Europe) / Development of stations network towards alternative fuels availability / Consistent support of the Polish economy through the development of cooperation with Polish enterprises / Development of ORLEN Pay application / ORLEN is the most recognizable brand of fuel stations in Poland (Institute for Market and Social Research)
- ESG: Emission neutral in 2050 (PKN ORLEN as a first fuel concern from Central Europe declared such an ambitious goal) / Sustainalytics agency raised the rating for PKN ORLEN (5th place out of 86 companies from the Oil & Gas Refining and Marketing) / "The Best Annual Report 2019" - PKN ORLEN again awarded for the best Integrated Report / Golden Leaf of CSR by Polityka (ranking of the most socially engaged companies operating in Poland) / Involvement in fight against COVID-19

* Results before impairments of assets in the amount of PLN (-) 626 m including profit on a bargain purchase of ENERGA shares in the amount of PLN 4 062 m

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- Financial and operating results
- Liquidity and investments
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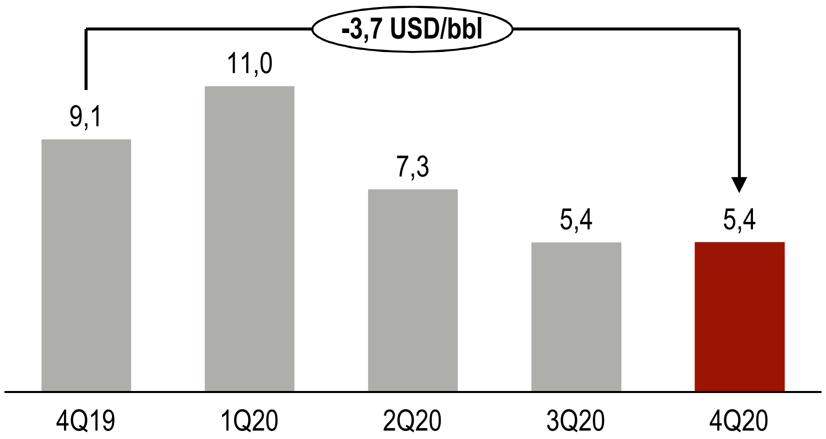
Macro environment 4Q20

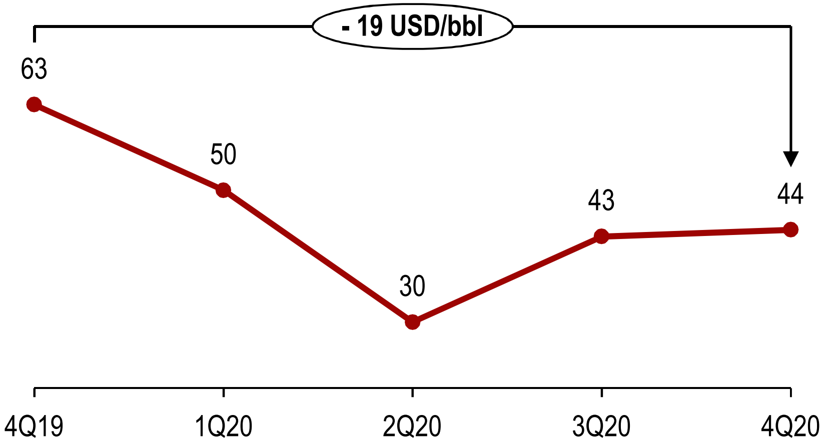
Model downstream margin
USD/bbl



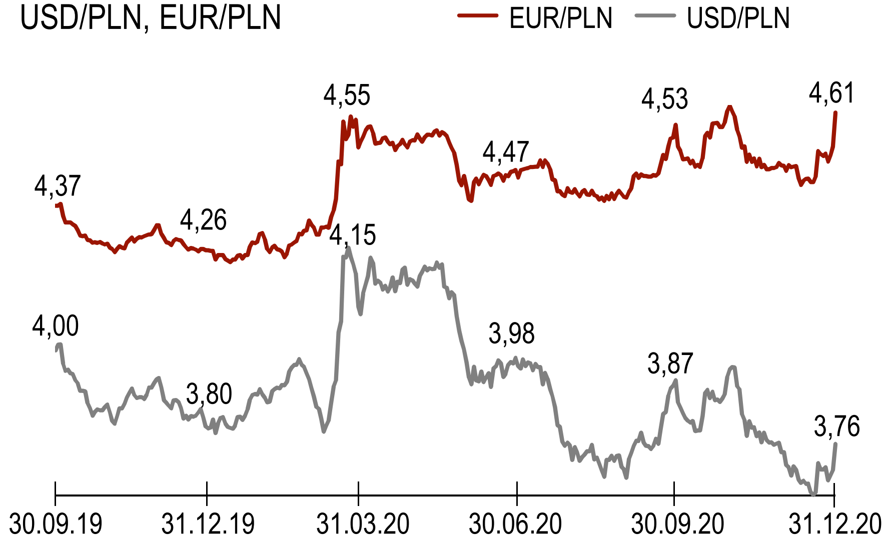
Product slate of downstream margin
Crack margins

Refining products (USD/t)	4Q19	3Q20	4Q20	Δ (y/y)
Diesel	113	33	33	-71%
Gasoline	127	78	71	-44%
HSFO	-252	-86	-80	68%
SN 150	75	100	261	248%
Petrochemical products (EUR/t)				
Ethylene	543	499	502	-8%
Propylene	421	444	445	6%
Benzene	188	90	150	-20%
PX	328	235	236	-28%

Average Brent crude oil price
USD/bbl



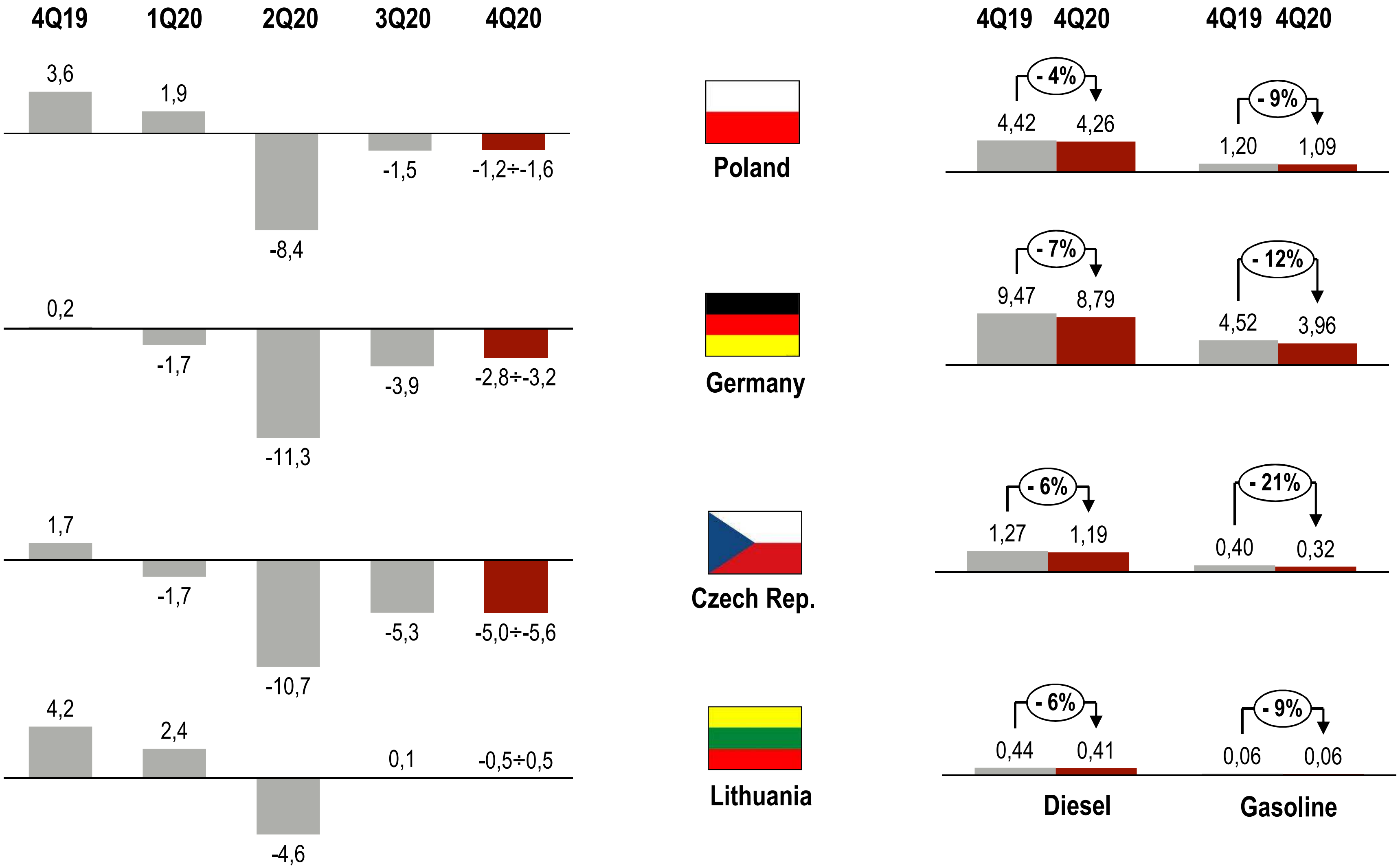
Average PLN vs USD and EUR
USD/PLN, EUR/PLN



Fuel consumption decrease (COVID-19 impact)

GDP increase[1]
Change % (y/y)

Fuel consumption (diesel, gasoline)[2]
mt



[1] 4Q20 – estimates: Poland (Polityka Insight), Germany (Continuum Economics), the Czech Rep. (CNB), Lithuania – PKN ORLEN estimates
[2] 4Q20 – PKN ORLEN estimates based on available data from ARE, Lithuanian Statistical Office, Czech Statistical Office and German Association of Petroleum Industry.

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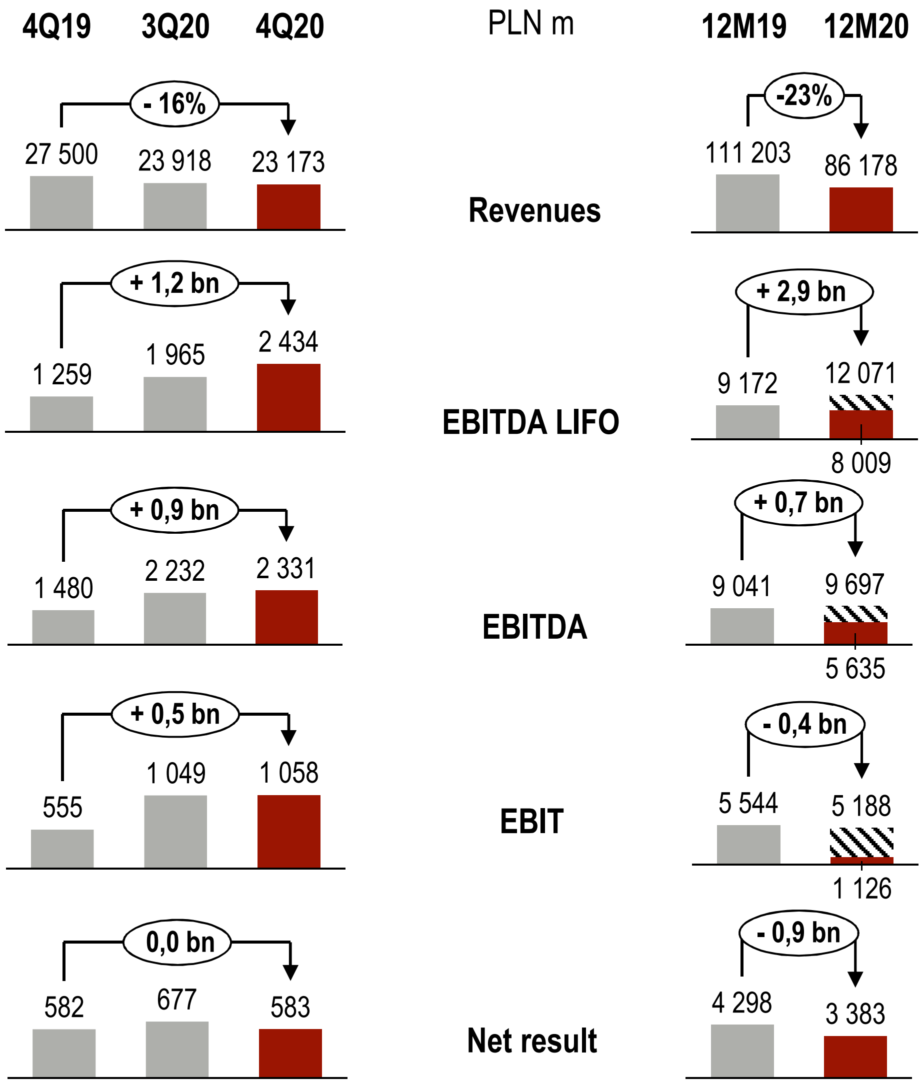
Financial results



Revenues: decrease by (-) 16% (y/y) due to lower quotations of refining and petrochemical products resulting from crude oil price decrease and lower sales volumes.

EBITDA LIFO: increase by PLN 1,2 bn (y/y) mainly due to positive impact of higher fuel margins in retail, reversal of write-offs on inventories (NRV), no provision for inventory shortages created in 4Q19, consolidation of ENERGA Group results and one-off effect of settlement of CO2 contracts. The above positive effects were partially offset by negative macro impact, lower sales volumes and higher fixed and labor costs.

LIFO effect: PLN (-) 0,1 bn impact of changes in crude oil prices on inventories valuation.

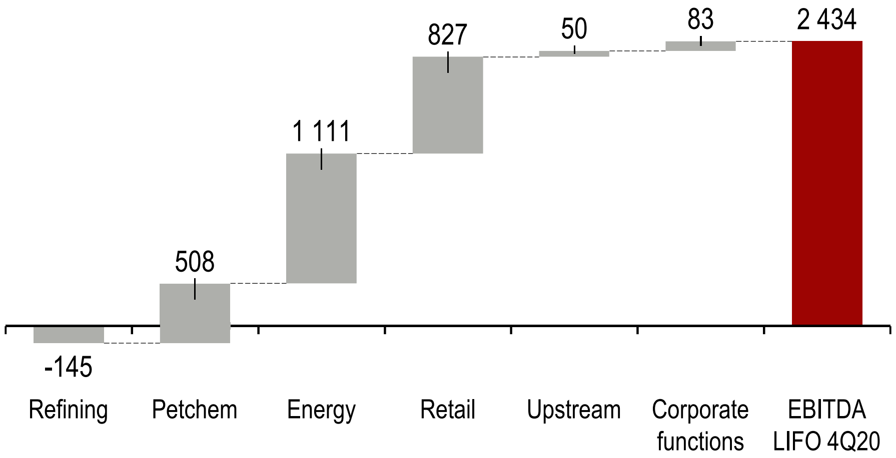
Financial result: PLN (-) 0,3 bn as a result of the surplus of negative FX differences, negative impact of settlement and valuation of derivative financial instruments and interest costs.

Net result: comparable result (y/y) due to: higher EBITDA LIFO by PLN 1,2 bn, lower impairment on assets by PLN 0,1 bn, lower LIFO effect by PLN (-) 0,3 bn, higher depreciation by PLN (-) 0,3 bn, lower financial result by PLN (-) 0,5 bn and higher income tax by PLN (-) 0,1 bn.

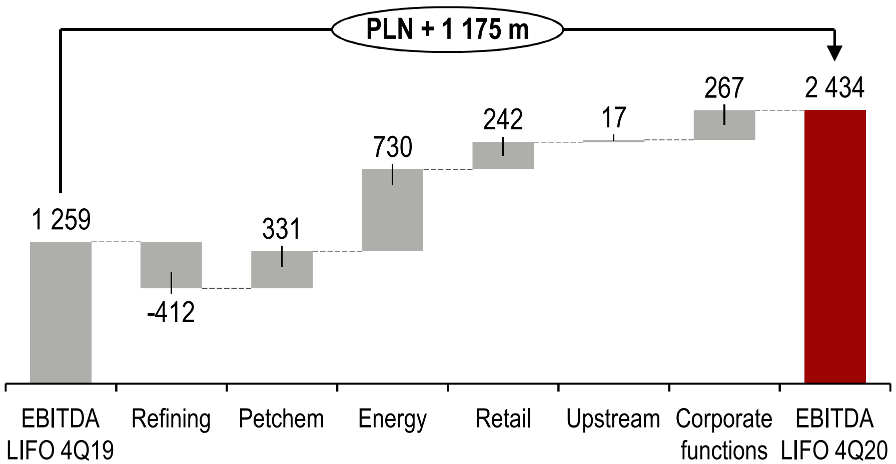
Operational results before impairments of assets: 4Q20 PLN 16 m / 3Q20 PLN 8 m / 4Q19 PLN (-) 79 m / 12M20 PLN (-) 626 m / 12M19 PLN (-) 179 m
NRV: 4Q20 PLN 358 m / 3Q20 PLN (-) 66 m / 4Q19 PLN (-) 45 m / 12M20 PLN (-) 109 m / PLN 12M19 15 m
12M20 results include profit on a bargain purchase of ENERGA shares recognized in 2Q20 in the amount of PLN 4 062 m
" ORLEN Group is currently verifying impairment of assets as at 31 December 2020 taking into account assumptions of Financial Plan 2021 and Strategy 2030. The results will be presented in the Consolidated Financial Statements of the ORLEN Group for the year ended 31 December 2020."

EBITDA LIFO

Segments' results
PLN m



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



Operational results before impairments of assets: 4Q20 PLN 16 m / 4Q19 PLN (-) 79 m
NRV: 4Q20 PLN 358 m / 4Q19 PLN (-) 45 m

Refining: decrease by PLN (-) 412 m (y/y) mainly due to negative impact of macro and lower sales volumes partially offset by positive effect of the reversal of write-offs on inventories (NRV) and lack of a provision for inventory shortages created in 4Q19.

Petchem: increase by PLN 331 m (y/y) mainly due to positive impact of macro and higher sales volumes.

Energy: increase by PLN 730 m (y/y) mainly due to positive impact of consolidation of ENERGA Group results, penalty received from GE for not fulfill contract obligations (CCGT Włocławek) and positive impact of macro and sales volumes.

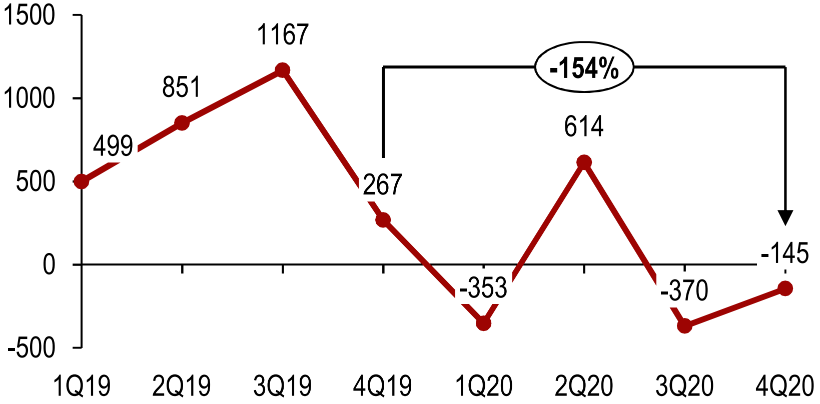
Retail: increase by PLN 242 m (y/y) mainly due to positive impact of higher fuel margins limited by negative impact of lower sales volumes and lower non-fuel margins.

Upstream: increase by PLN 17 m (y/y) mainly due to lack of provision for tax liabilities created in 4Q19 as well as savings in overheads at negative macro effect and lower sales volumes.

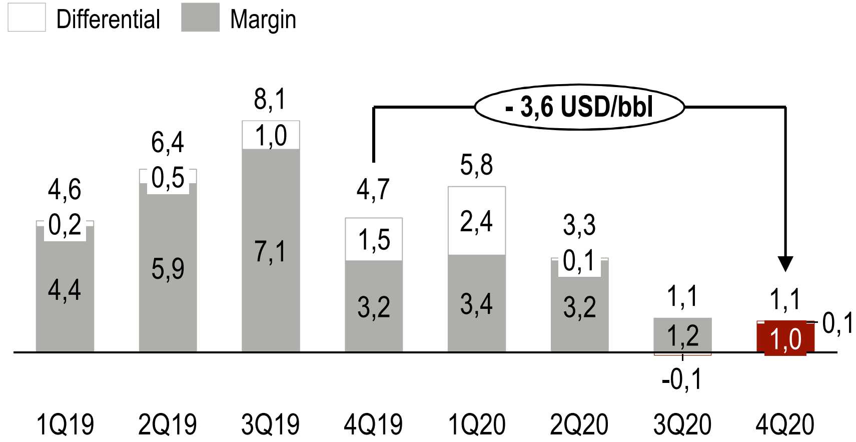
Corporate functions: increase by PLN 267 m (y/y) mainly due to one-off effect of settlement of CO_2 contracts in the amount of PLN 382 m with higher labor costs and expenses to reduce effects of COVID-19.

Refining – EBITDA LIFO
Negative impact of macro and lower sales volumes

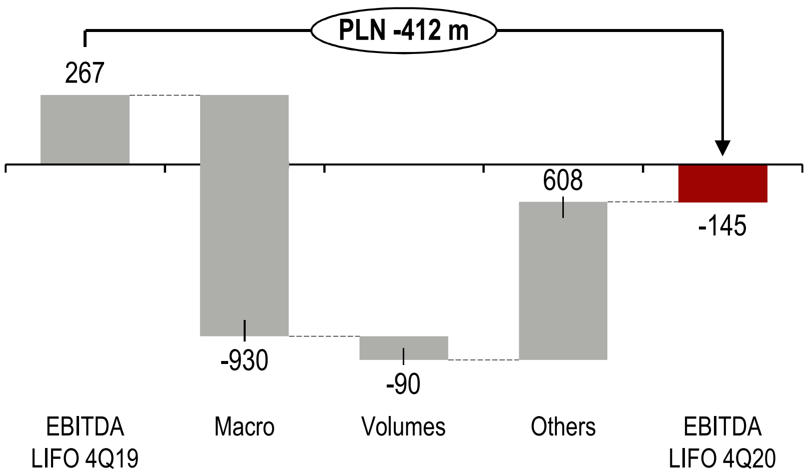
EBITDA LIFO
PLN m



Model refining margin and Brent/Ural differential
USD/bbl



EBITDA LIFO – impact of factors
PLN m

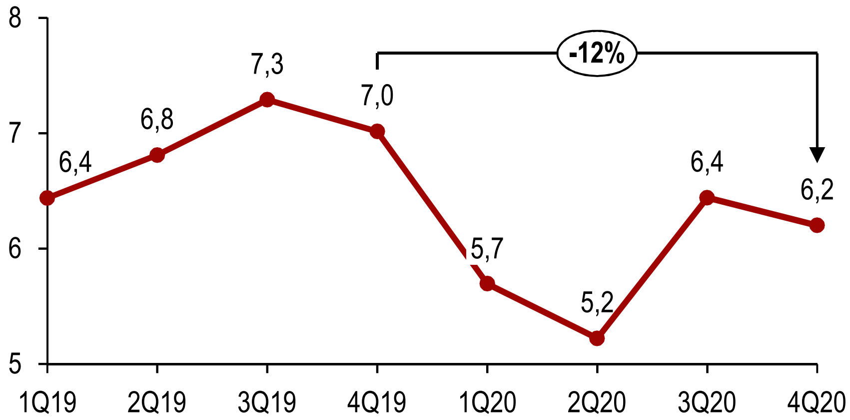


- Negative macro impact (y/y) mainly due to drop in light and middle distillates cracks, lower Brent/Ural differential by (-) 1,4 USD/bbl, strengthening of PLN against USD and negative impact of hedging transactions on crude oil purchases and product sales. Abovementioned negative effects were partially limited by positive effect of higher cracks on heavy refining fractions and lower costs of internal usage due to crude oil prices drop by (-) 19 USD/bbl.
- Sales volumes decrease by (-) 12% (y/y), of which: gasoline by (-) 16%, diesel by (-) 7%, LPG by (-) 15%, JET by (-) 68%, HSFO by (-) 27%.
- Others include mainly:
  - PLN 0,4 bn (y/y) reversal of write-offs on inventories (NRV)
  - PLN 0,2 bn (y/y) lack of provision for inventory shortages from 4Q19

Operational results before impairments of assets: 4Q20 PLN 27 m / 4Q19 PLN (-) 1 m
Macro: margins PLN (-) 439 m, B/U differential PLN (-) 271 m, exchange rate PLN (-) 52 m, hedging PLN (-) 168 m

Refining – operational data
Crude oil throughput adjusted to macro and fuel demand

Sales volumes
mt

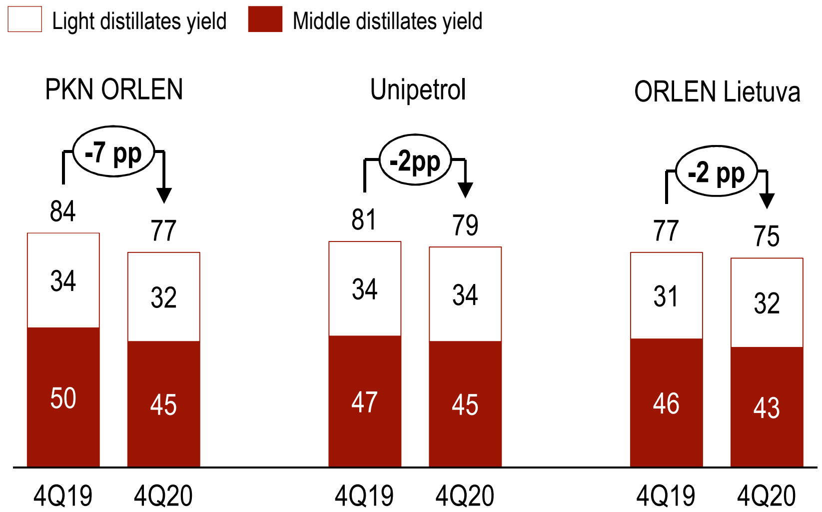


Crude oil throughput and utilisation ratio
mt, %

Crude oil throughput (mt)	4Q19	3Q20	4Q20	Δ (y/y)
PKN ORLEN	4,0	4,2	3,7	-0,3
Unipetrol	2,0	1,9	1,7	-0,3
ORLEN Lietuva	2,3	2,1	1,9	-0,4
TOTAL	8,4	8,2	7,4	-1,0

Utilisation ratio (%)	4Q19	3Q20	4Q20	Δ (y/y)
PKN ORLEN	97%	103%	90%	-7 pp
Unipetrol	91%	88%	80%	-11 pp
ORLEN Lietuva	89%	81%	75%	-14 pp
TOTAL	94%	93%	84%	-10 pp

Fuel yield
%



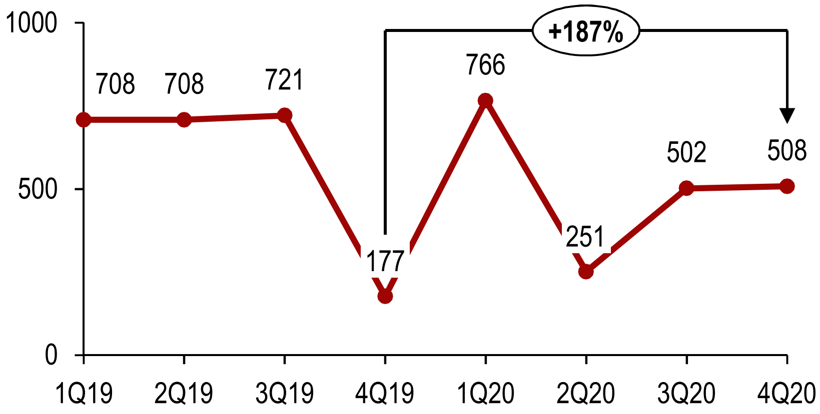
Crude oil throughput ca. 7,4 mt, i.e. decrease by (-)1,0 mt (y/y), of which:

- PKN ORLEN – decrease by (-) 0,3 mt (y/y) mainly due to maintenance shutdowns of CDU VI, Hydrocracking, Hydrogen unit, H-Oil and lowering utilization of FCC II, H-Oil and HDS.
- Unipetrol – decrease by (-) 0,3 mt (y/y) due to lower demand for middle distillates and maintenance shutdowns of CDU, Visbreaking, FCC and PE3.
- ORLEN Lietuva – decrease by (-) 0,4 mt (y/y) as a result of adjusting throughput to macro situation.
- Lower fuel yield in all refineries due to maintenance shutdowns of production installations and worse structure of processed crude types.

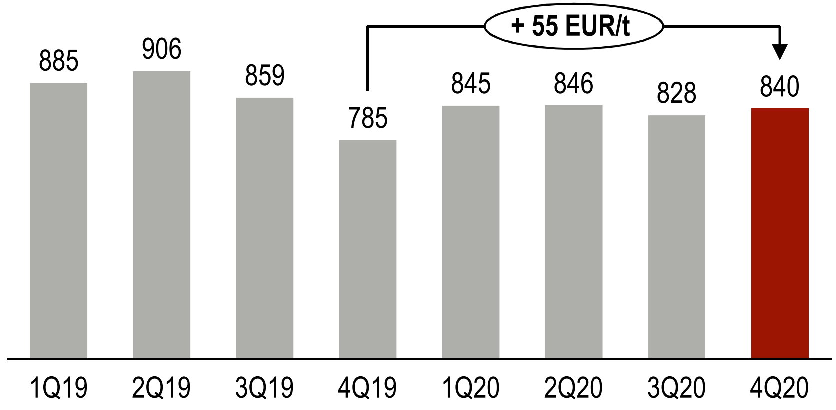
Sales volumes amounted to 6,2 mt, i.e. decrease by (-) 12% (y/y), of which: Poland by (-) 7%, Czech Rep. by (-) 18%, ORLEN Lietuva by (-) 15%. Lower sales volumes in all markets due to market limitations (COVID-19 impact).

Petrochemicals – EBITDA LIFO
Positive impact of macro and higher sales volumes

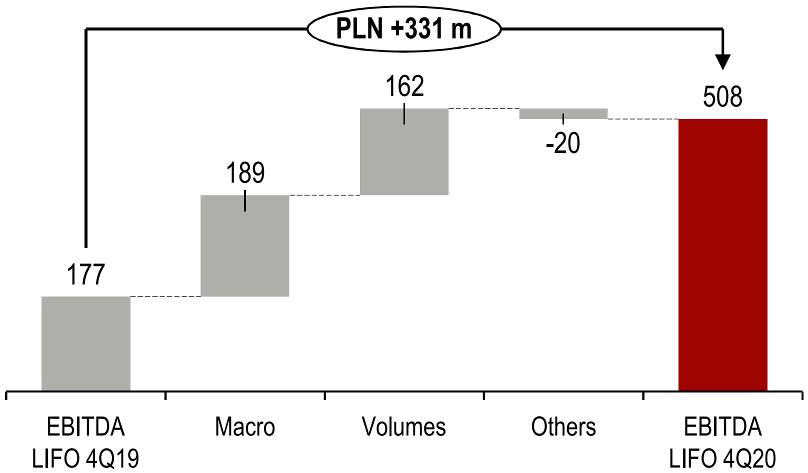
EBITDA LIFO
PLN m



Model petrochemical margin
EUR/t



EBITDA LIFO – impact of factors
PLN m

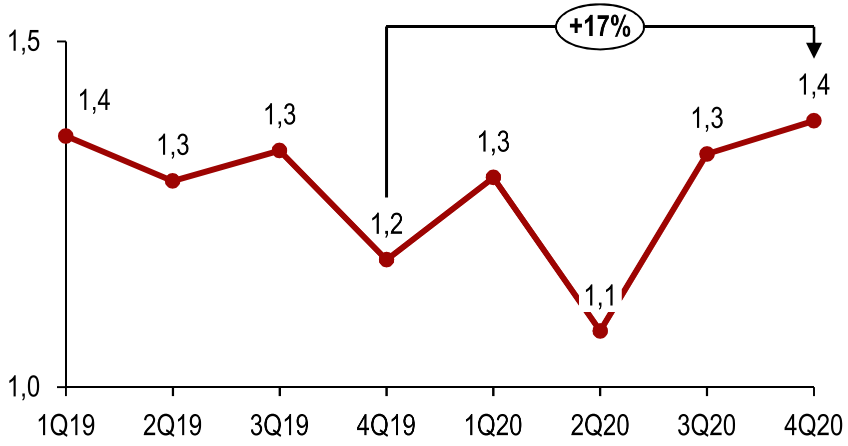


- Positive macro impact (y/y) due to increase in margins on propylene and polyolefins as well as weakening of PLN against EUR. Abovementioned positive effects were partially limited by negative impact of hedging transactions on product sales.
- Sales volumes increase by 17% (y/y), of which: polyolefins by 47%, fertilisers by 12%, PVC by 115% and PTA by 15% at comparable olefins sales.
- EBITDA LIFO 4Q20 in the amount of PLN 508 m includes:
  - PLN 85 m Anwil result, i.e. increase by PLN 57 m (y/y).
  - PLN 99 m PTA result, i.e. increase by PLN 35 m (y/y).

Operational results before impairments of assets: 4Q20 PLN 0 m / 4Q19 PLN (-) 28 m
Macro: margins PLN 45 m, exchange rate PLN 193 m, hedging PLN (-) 49 m

Petrochemicals – operational data
Sales volumes increase by 17% (y/y)

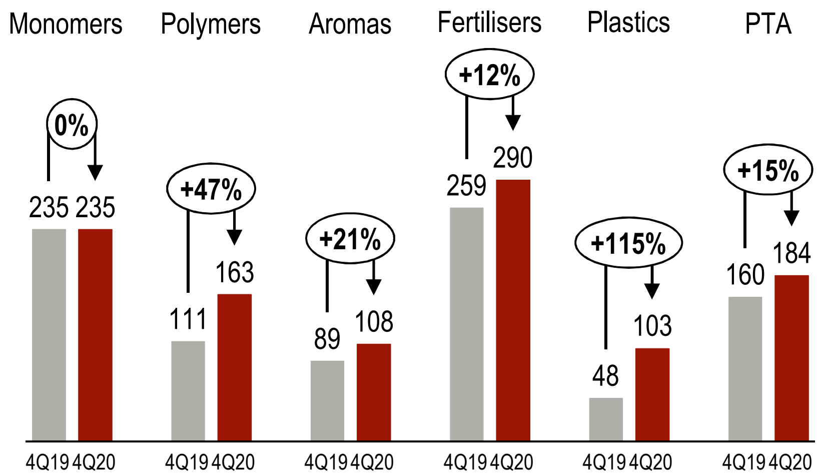
Sales volumes
mt



Utilisation ratio
%

Petrochemical installations	4Q19	3Q20	4Q20	∆ (y/y)
Olefins (Płock)	74%	85%	80%	6 pp
BOP (Płock)	73%	79%	73%	0 pp
Metathesis (Płock)	90%	88%	79%	-11 pp
Fertilisers (Włocławek)	89%	86%	66%	-23 pp
PVC (Włocławek)	27%	78%	81%	54 pp
PTA (Włocławek)	89%	83%	98%	9 pp
Olefins (Unipetrol)	68%	83%	83%	15 pp
PPF Splitter (ORLEN Lietuva)	93%	90%	87%	-6 pp

Sales volumes – split by product
kt



Utilisation ratio of petrochemical installations:

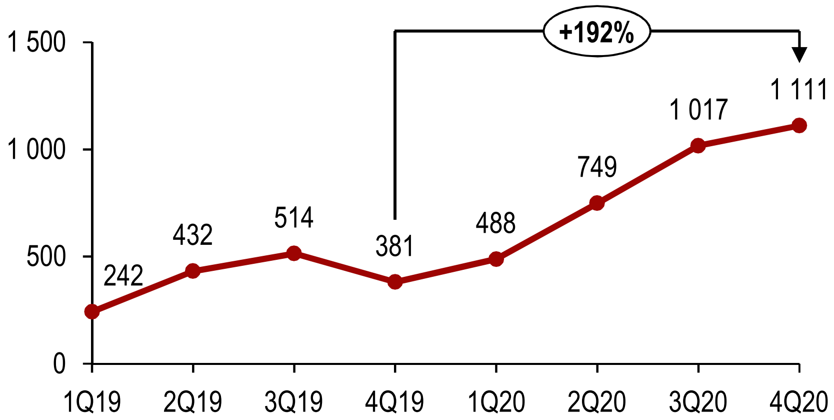
- PKN ORLEN – utilisation increase (y/y) resulting from technical shutdowns in Anwil in 4Q19.
- Unipetrol – higher utilisation ratio (y/y) due to launching PE3 in Litvinov.
- ANWIL – lower utilisation ratio in fertilisers (y/y) resulting from maintenance shutdown in 4Q20.
- ORLEN Lietuva – no major shutdowns, lower crude oil throughput in 4Q20 due to macroeconomic conditions.

Sales volumes at the level of 1,4 mt i.e. increase by 17% (y/y), of which:

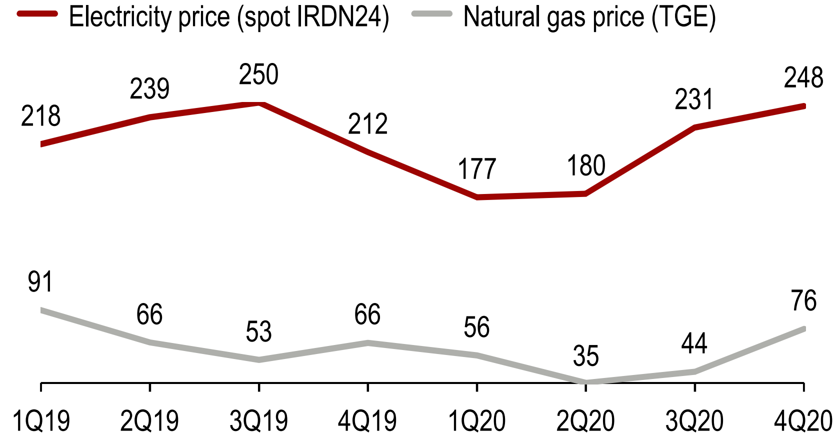
- Poland – increase by 13% (y/y) due to higher sales of ethylene, PTA, fertilisers and PVC.
- Czech Rep. – increase by 22% (y/y) resulting from higher polyethylene sales (launching PE3), polypropylene and PVC.
- ORLEN Lietuva – increase by 200% (y/y) due to higher external propylene sales (last year internal transfers were higher).

Energy – EBITDA LIFO
Positive impact of ENERGA Group results consolidation

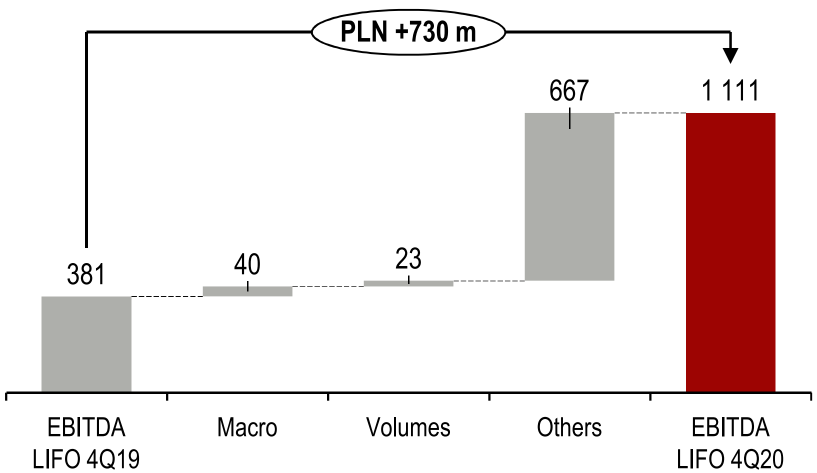
EBITDA LIFO
PLN m



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



EBITDA LIFO – impact of factors*
PLN m



- Positive macro impact (y/y) as a result of higher increase in electricity prices comparing to natural gas prices.
- Higher electricity sales in ORLEN Group (y/y).
- Others include mainly:
  - PLN 0,5 bn (y/y) of ENERGA Group results consolidation
  - PLN 0,2 bn (y/y) of penalty received from GE for not fulfill contract obligations (CCGT Włocławek) and lower variable costs (cheaper natural gas).

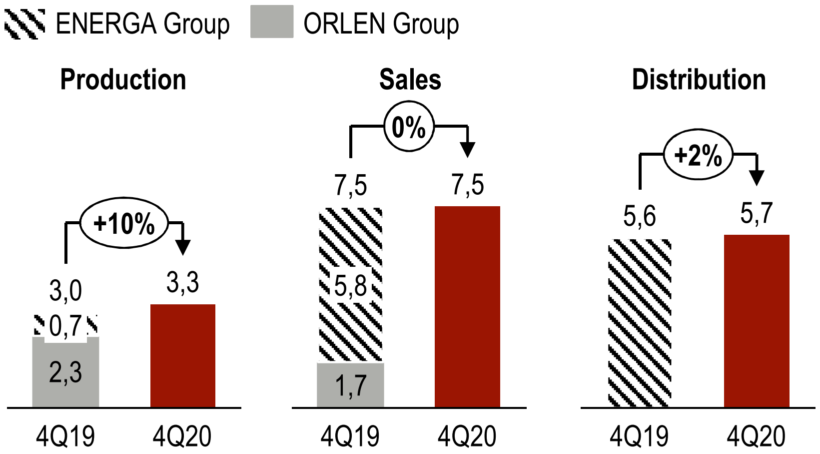
Operational results before impairments of assets: 4Q20 PLN 2 m / 4Q19 PLN (-) 2 m
* Business effects calculations does not include ENERGA Group due to the fact that consolidation started from May 2020.

Energy – operational data
> 70% of electricity production from zero and low emission sources

ORLEN

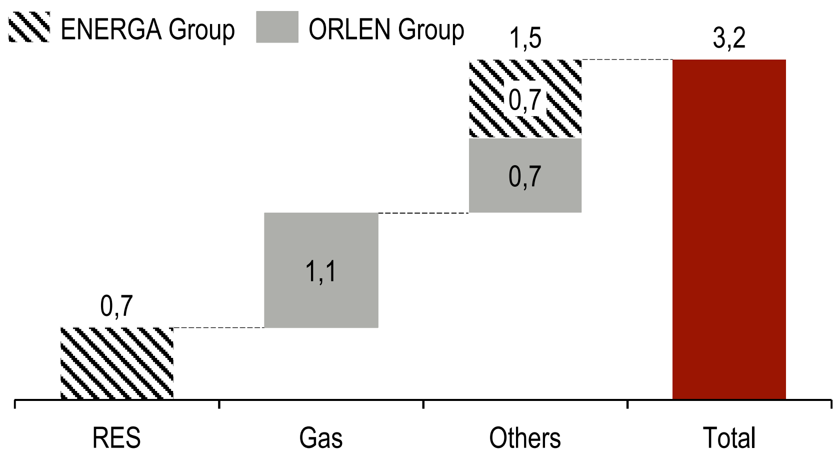
Electricity production and sales volumes

TWh



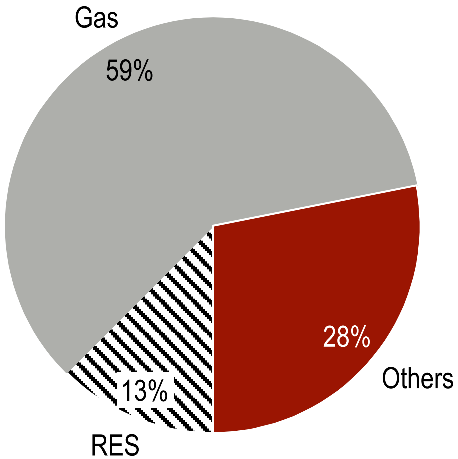
Installed capacity

GWe



Electricity production by type of sources

%

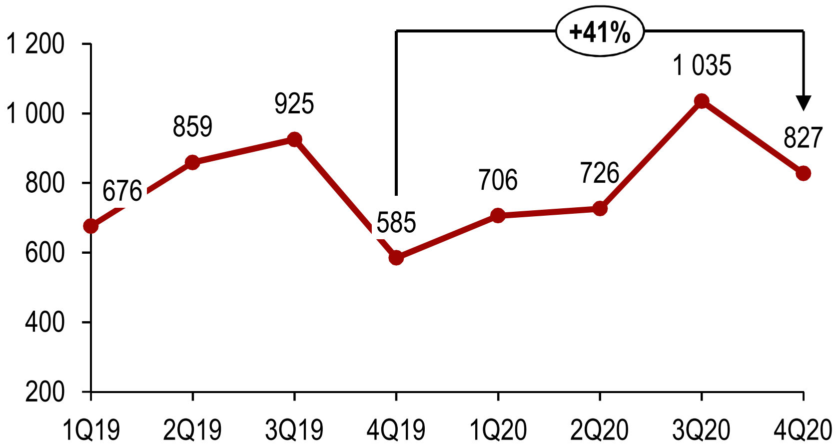


- Installed capacity: 3,2 GWe (electricity) / 6,0 GWt (heat).
- Production: 3,3 TWh (electricity) / 12,1 PJ (heat).
- Electricity production increased by 10% (y/y) mainly due to favorable macro conditions for gas-fired units, hydropower plants (better hydrometeorological conditions), wind (better wind conditions and a new wind farm with a capacity of ca. 31 MW commissioned in June 2020) and lower volume from biomass combustion (resignation from co-combustion in Ostrołęka). In conventional power generation, we recorded mainly an increase in production (y/y) in Ostrołęka as a result of higher demand from PSE.
- Electricity sales at a comparable level (y/y).
- Electricity distribution (fully realized by Energa Operator) increased by 1% (y/y) mainly due to the lockdown of the economy and the related increase in remote work. There is a noticeable general tendency to increase the power connected to the Energa Operator grid.
- CO_2 emissions in Energy segment of the ORLEN Group (excluding ENERGA) amounted to 1,9 mt.

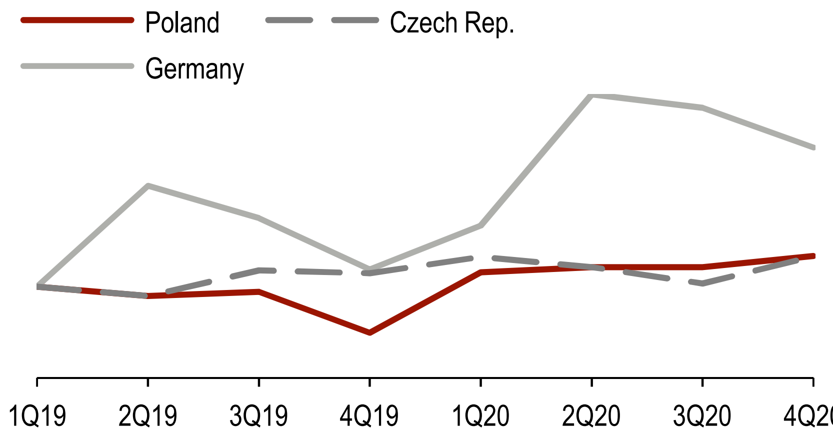
ENERGA has been consolidated in the ORLEN Group's results since May 2020

Retail – EBITDA LIFO
Higher retail margins limited by lower sales volumes

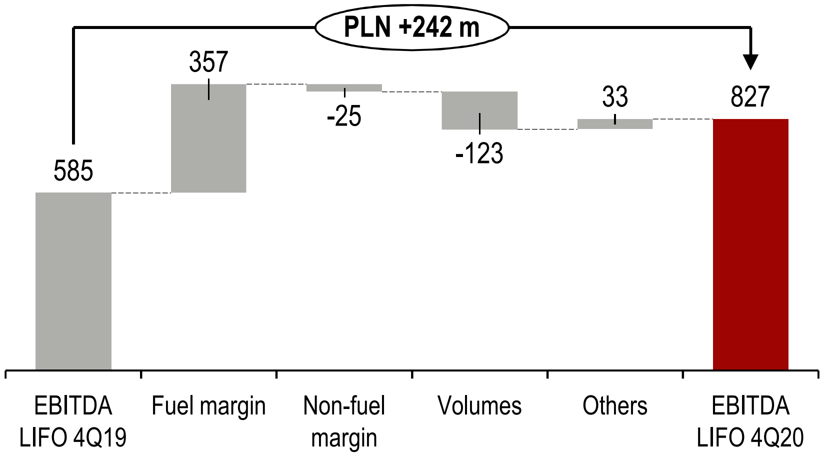
EBITDA LIFO
PLN m



Fuel margin
% (q/q)



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

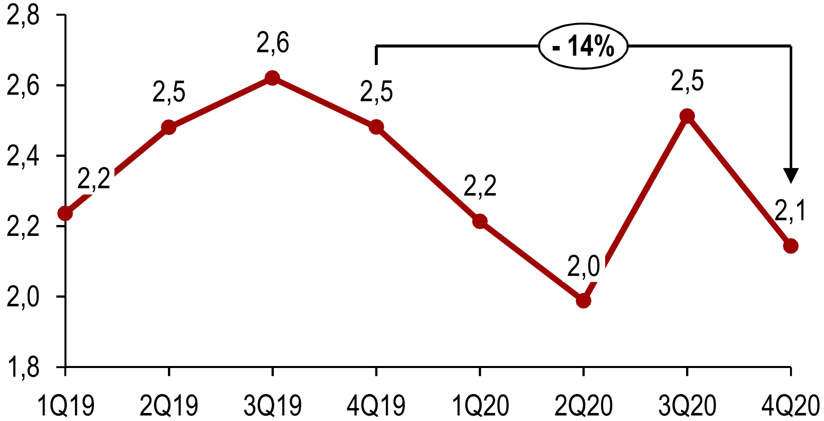


- Lower sales volumes by (-) 14% (y/y), of which: gasoline by (-) 13%, diesel by (-) 14% and LPG by (-) 21%.
- Higher fuel margins in Poland and Germany at comparable margins in the Czech Rep. and Lithuania (y/y).
- Lower non-fuel margins in Poland and the Czech Rep. at higher margins in Germany and comparable margins in Lithuania (y/y).
- Higher number of Stop Cafe/Star Connect coffee corners (including convenience stores) increased by 145 (y/y).
- Increase in number of alternative fuel points by 104 (y/y). Currently, we have 212 alternative fuel points, including: 167 EV chargers, 2 hydrogen stations and 43 CNG stations.
- Others mainly include positive impact of the change in the balance on other operating activities (provisions for economic risks and sale of assets).

Data before impairments of assets : 4Q20 PLN (-) 11 m / 4Q19: PLN 19 m

Retail – operational data
Over 80% of fuel stations equipped with non-fuel concept

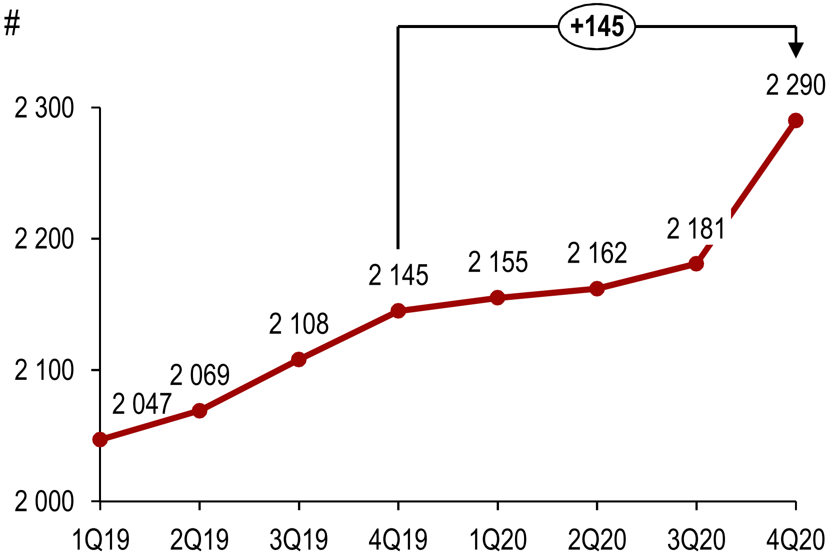
Sales volumes
mt



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

	# stations	Δ y/y	% market	Δ y/y
Poland	1 811	11	33,7	-0,4 pp
Germany	583	-2	6,6	0,0 pp
Czech Rep.	419	3	25,0	0,3 pp
Lithuania	29	4	4,5	-0,2 pp
Slovakia	13*	3	0,6	0,4 pp

Coffee corners incl. convenience stores
#



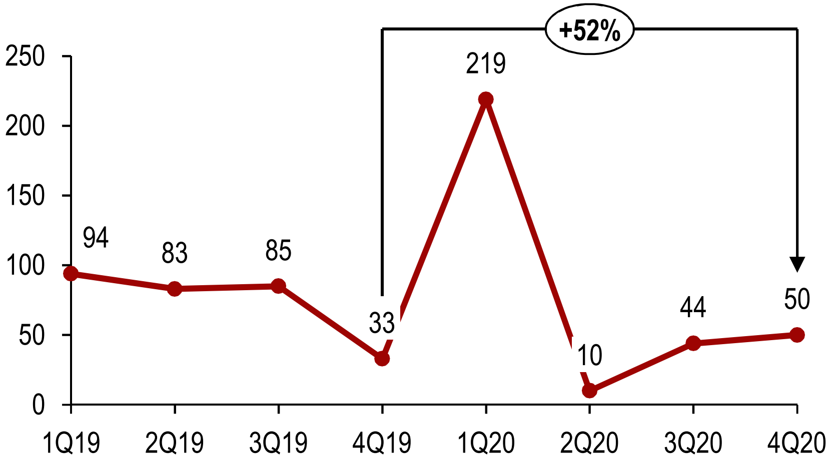
- Sales decrease by (-) 14% (y/y), of which: in Poland by (-) 16%, in the Czech Rep. by (-) 8%, in Germany by (-) 11%** and in Lithuania by (-) 7%.
- 2855 fuel stations i.e. increase by 19 (y/y), of which: in Poland by 11, in the Czech Rep. by 3, in Lithuania by 4 and in Slovakia by 3 at decrease of fuel stations in Germany by 2.
- Market share increase (y/y) in the Czech Rep. and in Slovakia at decrease in Poland and Lithuania and comparable level in Germany.
- 2290 non-fuel locations, of which: 1725 Stop Cafe in Poland (including 662 convenience stores), 385 Stop Cafe in the Czech Rep., 139 Star Connect in Germany, 28 Stop Cafe in Lithuania and 13 Stop Cafe in Slovakia. Increase by 145 (y/y), including: in Poland by 26, in the Czech Rep. by 79, in Germany by 22, in Lithuania by 5 and in Slovakia by 13.
- 212 alternative fuel points, of which: 137 in Poland, 66 in the Czech Rep. and 9 in Germany. Increase by 104 (y/y), of which: in Poland by 95, in the Czech Rep. by 6 and in Germany by 3.

* We have 20 fuel stations in Slovakia, of which 13 are operational and the rest will be included in the network in 2021.

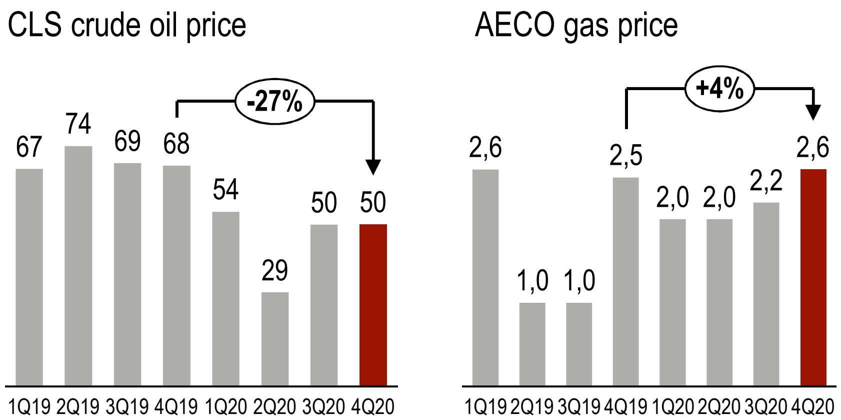
** Includes also fuel sales beyond own petrol stations. Sales volumes on ORLEN Deutschland fuel stations decreased by (-) 12,5% (y/y).

Upstream – EBITDA LIFO
Negative macro impact and lower sales volumes

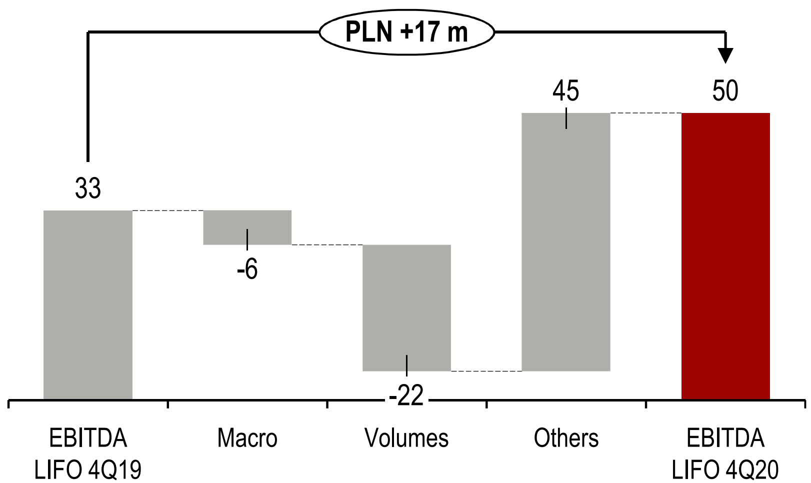
EBITDA LIFO
PLN m



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



EBITDA LIFO – impact of factors
PLN m



- Negative macro impact due to decrease in crude oil and NGL's prices at higher gas prices (y/y) and hedging transactions.
- Negative impact of lower sales volumes by (-)12% (y/y) as a result of decrease of average production by (-) 2,5 th. boe/d (y/y), of which: in Poland by (-) 0,2 th. boe/d and in Canada by (-) 2,3 th. boe/d.
- Others mainly include the lack of reserves for tax liabilities recognized in 4Q19 and savings in overheads.

Data before impairments of assets: 4Q20: PLN 0 m/ 4Q19: PLN (-) 67 m

Upstream – operational data
Lower average production by (-) 2,5 th. boe/d (y/y)

ORLEN

Poland

Total reserves of crude oil and gas (2P)

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

4Q20

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

EBITDA: PLN (-) 1 m** / CAPEX: PLN 42 m

12M20

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

EBITDA: PLN 35 m** / CAPEX: PLN 147 m

4Q20

- Development of Bystrowice natural gas deposits (Miocene project) has been continued in the General Contractor of Investment formula. On 24th December 2020, a first fully operated by ORLEN Upstream - Bystrowice Natural Gas Field - commenced production. Under development of Bajerze and Tuchola deposits (Edge project), project and legal works were continued and the supplier of devices and the contractor of production units were chosen. Project and legal works for development of the Chwalęcin Natural Gas deposits (Płotki project) and the administrative and procurement works involved in the development of the Sieraków-2H well (the Sieraków project) are continued
- Drilling the Grodzewo-1 well (Płotki project) was completed with positive result and production tests were carried out. The analysis of the data collected is continued. The project and administrative works for future wells in Miocene, Edge and Płotki Projects were continued..
- Under the seismic activity the interpretation of the seismic data of Wilcze 3D (Edge project) was continued and the interpretation of the Brzezie-Gołuchów 3D data (Płotki project) was completed. The process of interpretation of 2D seismic profiles (Karpaty project). The processing contractor for processing for the newly acquired seismic data of Koczała-Miastko 3D (Edge project) was selected.

Canada

Total reserves of crude oil and gas (2P)

180,1 m boe* (60% liquid hydrocarbons, 40% gas)

4Q20

Average production: 15,2 th. boe/d (42% liquid hydrocarbons)

EBITDA: PLN 51 m** / CAPEX: PLN 93 m

12M20

Average production: 17,0 th. boe/d (46% liquid hydrocarbons)

EBITDA: PLN 288 m** / CAPEX: PLN 253 m

4Q20

- Further development of the core productive assets and related investment activities were resumed, including: drilling of 3 wells (3.0 net) in Ferrier area and 1 well (1.00 net) in Kakwa area, as well as hydraulic fracking, completion and tie-in to the existing infrastructure of 2 wells (1.75 net) in Kakwa region.
- Production optimization initiatives and downhole equipment installations were carried out in the core areas of operation in Canada.
- Technical consolidation of Strachan's productive assets with Ferrier's transportation and processing infrastructure created a consolidated area and resulted in significant reduction of operating costs through using our own infrastructure
- Pro-environmental activities are conducted to reduce greenhouse gas emissions and meet all environmental requirements introduced by the federal and provincial governments of Canada, including: limiting flaring, counteracting methane emissions, regular inspections and adjusting the infrastructure, and modernizing engines and other devices that affect emissions
- Organizational structure optimization of ORLEN Upstream Canada group.

* Poland - data as of 31 December 2020 / Canada - data as of 31 December 2019 reduced by production in 2020.

** Data before impairments of assets: 4Q20: PLN 0 m / 12M20: PLN (-) 619 m

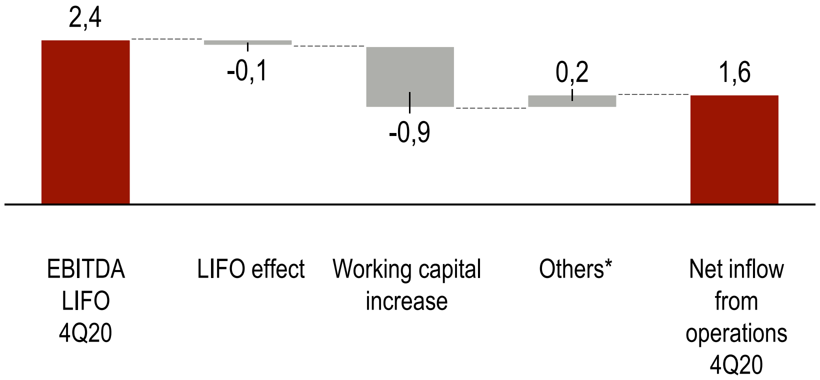
Agenda

- Key facts and figures
- Macro environment
- Financial and operating results
- Liquidity and investments
- Outlook

Cash flow

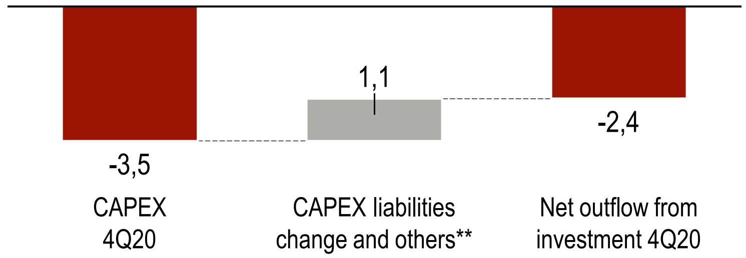
Cash flow from operations 4Q20

PLN bn



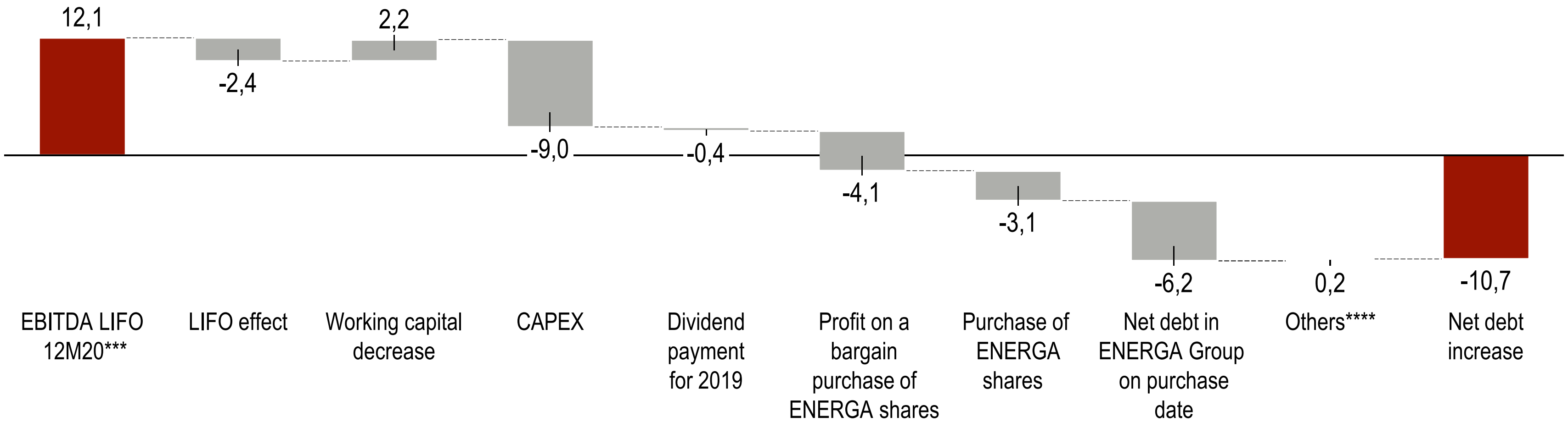
Cash flow from investments 4Q20

PLN bn



Free cash flow 12M20

PLN bn



* Mainly adjustment for changes in the balance of reserve PLN 0,4 bn, loss on investment activities of PLN 0,3 bn related mainly to the settlement and valuation of derivatives, property rights received free of charge PLN (-) 0,2 bn, security deposits PLN (-) 0,2 bn and paid income tax PLN (-) 0,1 bn

** Includes: acquisition of ENERGA shares PLN (-) 0,4 bn net flows from loans PLN 0,2 bn, recognition of the right to use PLN 0,5 bn, change in investment liabilities PLN 0,6 bn

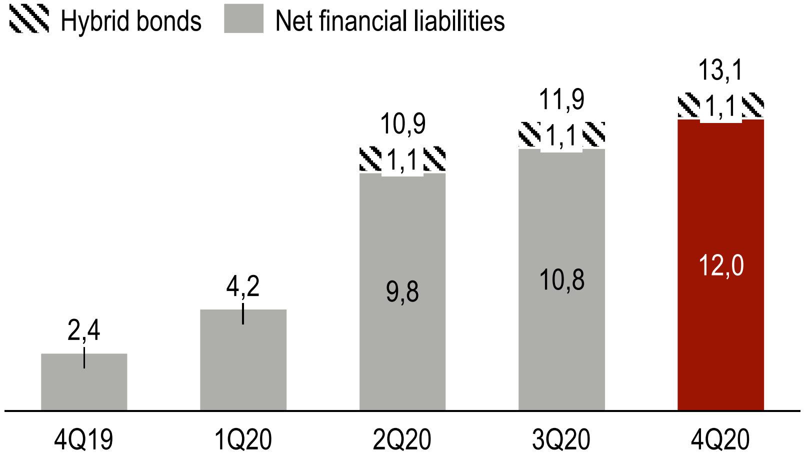
*** Includes: PLN (-) 0,1 bn of negative impact from inventories revaluation (NRV) and PLN 4,1 bn of profit on a bargain purchase of ENERGA shares

**** Mainly paid income tax PLN (-) 0,7 bn and paid interest PLN (-) 0,4 bn and recognition of the right to use PLN 1,1 bn

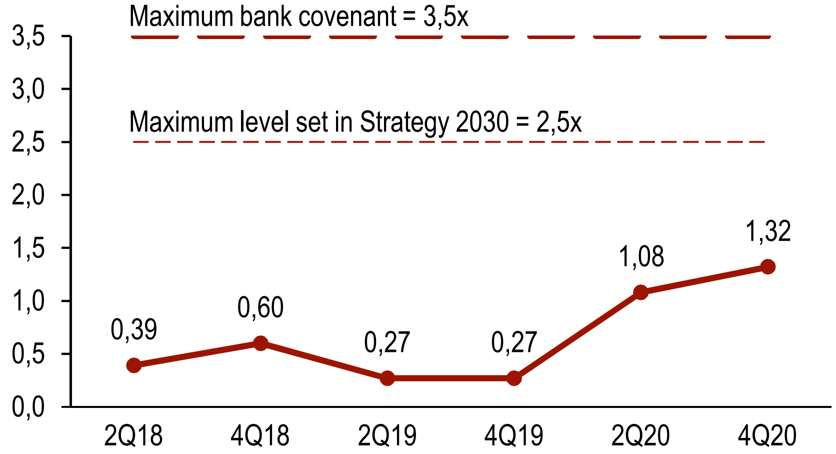
Financial strength

Net debt

PLN bn

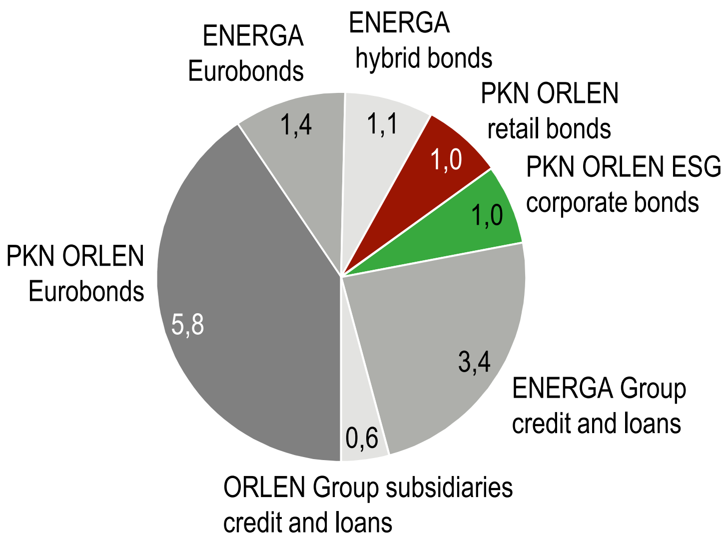


Net debt/EBITDA*



Gross debt – sources of financing

PLN bn



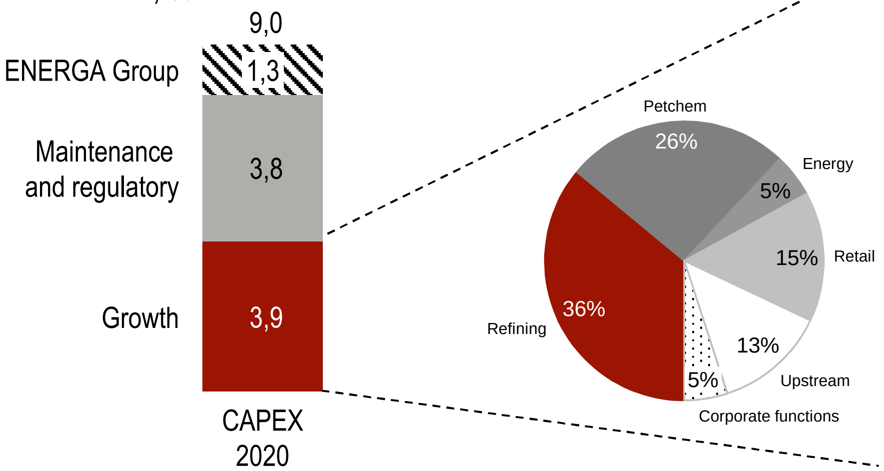
- Gross debt currency structure: EUR 58%, PLN 38%, CZK 4%
- Average maturity in 2023.
- Investment grade: BBB- stable outlook (Fitch), Baa2 positive outlook (Moody's).
- The first in Central Europe issue of corporate bonds related to ESG MSCI rating (total nominal value: PLN 1 bn; tenor: 5 years).
- Net debt increase by PLN 1,2 bn (q/q) mainly as a result of cash outflow from investments of PLN (-) 2,5 bn, purchase of ENERGA shares under the second tender offer of PLN (-) 0,4 bn, payments of lease liabilities in the amount of PLN (-) 0,2 bn with positive cash flow from operations of PLN 1,6 bn.
- Mandatory reserves in the balance sheet at the end of 4Q20 amounted PLN 4,7 bn, of which PLN 4,2 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

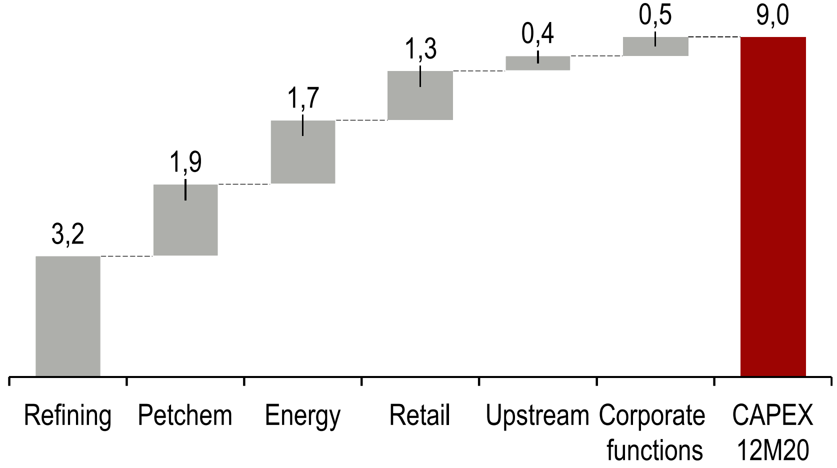
Planned CAPEX 2020

PLN bn, %



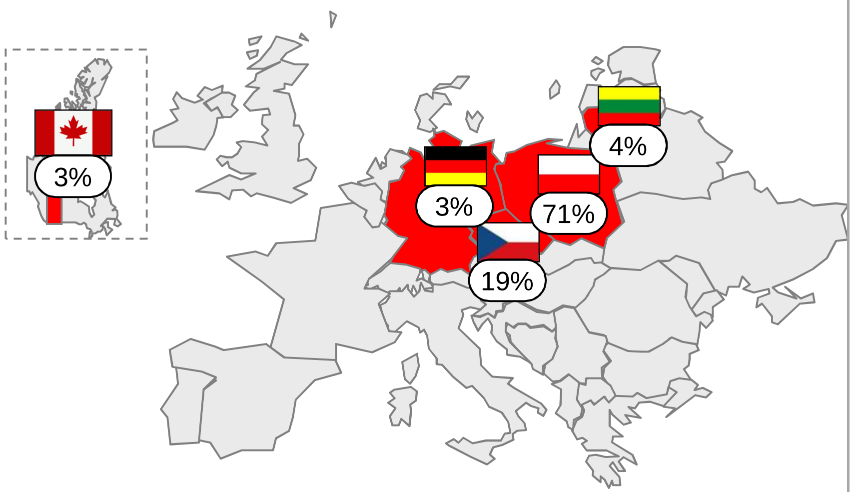
Realized CAPEX 12M20* – split by segment

PLN bn



Realized CAPEX 12M20 – split by country

%



Main growth projects realized in 4Q20

Refining

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

Petchem

- Extension of fertilizers production in Anwil
- Construction of units under Petrochemical Development Program

Energy

- Modernization of TG1 turbine set in CHP in Płock
- Projects in ENERGA Group focused on production and distribution
- Preparation for construction of offshore wind farm on the Baltic Sea

Retail

- 26 fuel stations opened, 11 closed/cooperation ended, 6 modernized
- 109 Stop Cafe/Star Connect locations opened (including convenience stores)

Upstream

- Canada – PLN 93 m / Poland – PLN 42 m

* CAPEX 4Q20 amounted to PLN 3 519 m: refining PLN 1 176 m, petrochemicals PLN 749 m, energy PLN 749 m, retail PLN 477 m, upstream PLN 135 m, corporate functions PLN 233 m.

Agenda

- Key facts and figures
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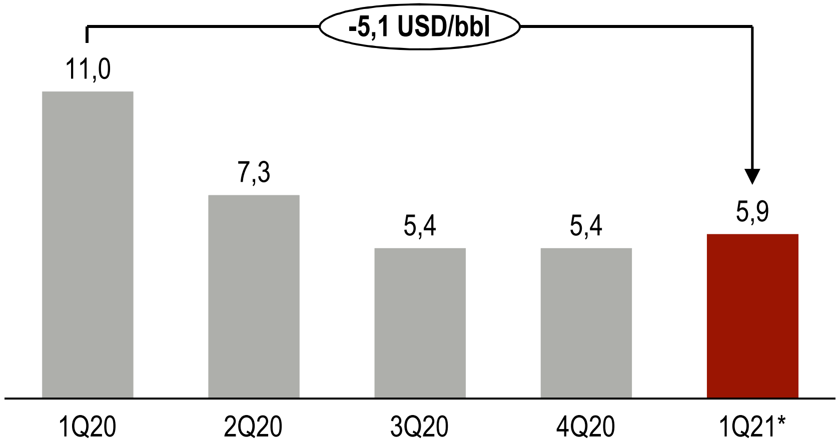
Macro environment 1Q21

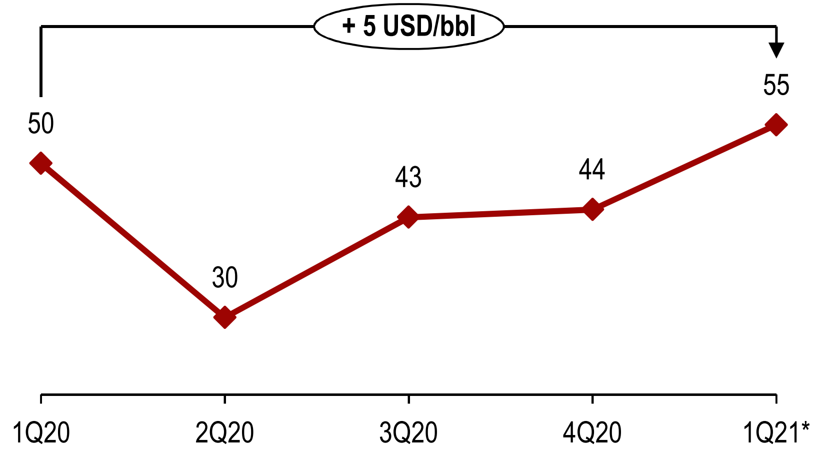
Model downstream margin

USD/bbl



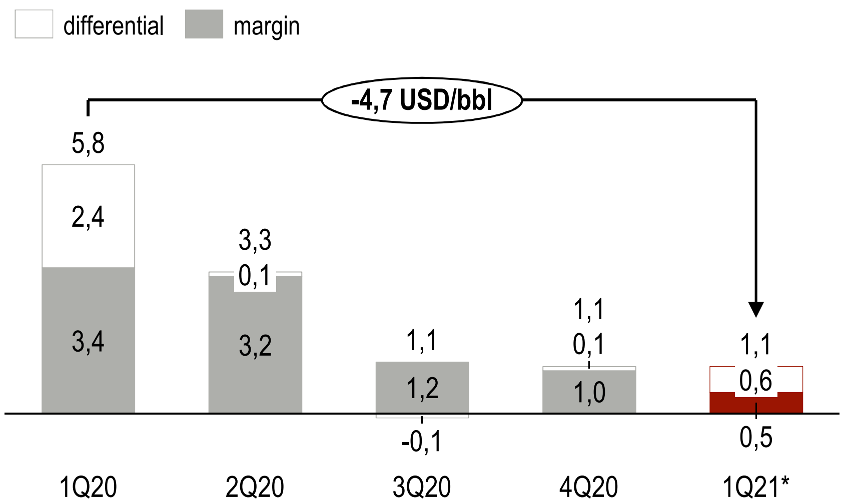
Average Brent crude oil price

USD/bbl



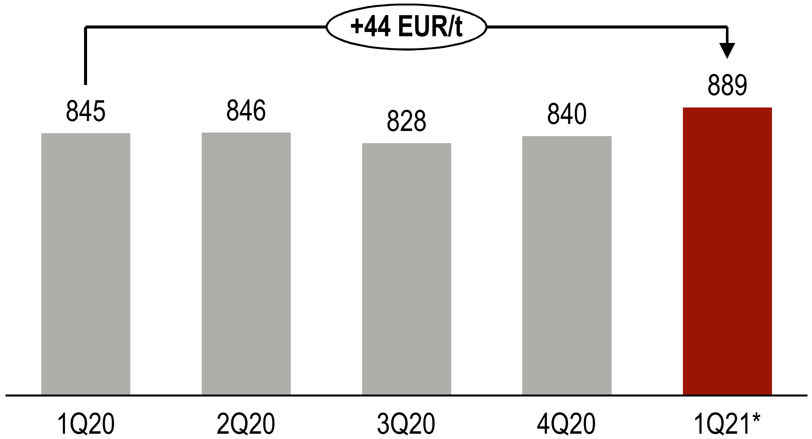
Model refining margin and Brent/Ural differential

USD/bbl



Model petrochemical margin

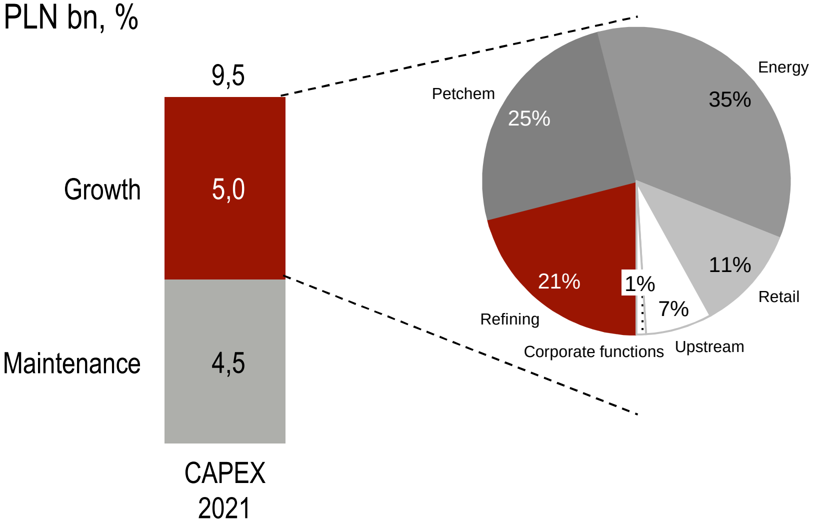
EUR/t



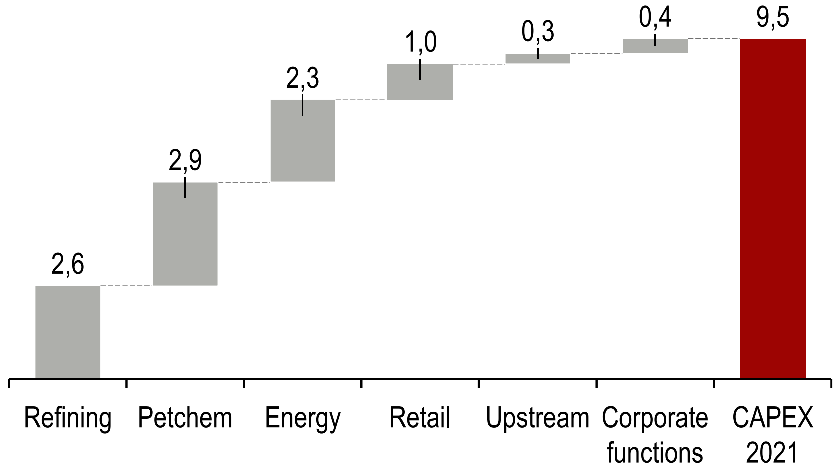
* Dane do dnia 29.01.2021

CAPEX in 2021

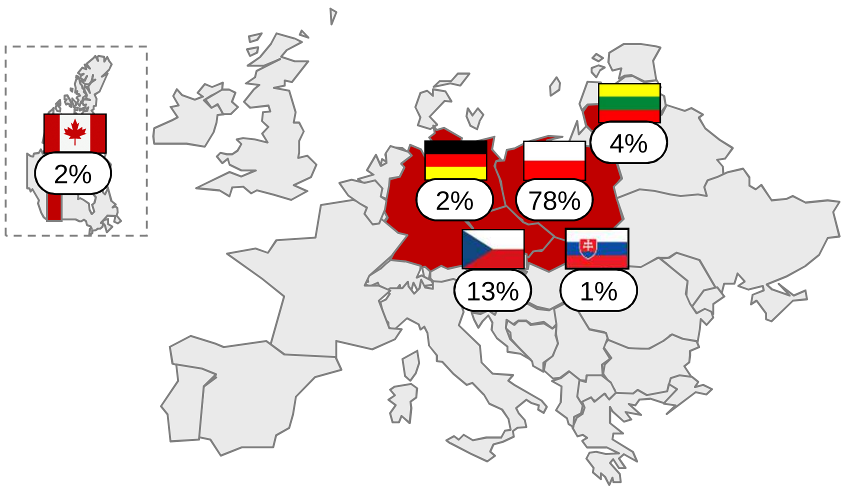
Planned CAPEX 2021
PLN bn, %



Planned CAPEX 2021 – split by segment
PLN bn



Planned CAPEX 2021 – split by country
%



Main growth projects in 2021

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

Petchem
- Project of extension of olefins production in Płock
- Extension of fertilizers production in Anwil
- Construction of a DCPD unit (input for the production of specialized plastics) in Unipetrol

Energy
- Modernization of existing assets and connection of new customers in ENERGA Group
- Construction of PV farms in ENERGA Group
- Project for construction of offshore wind farm on the Baltic Sea
- Development of EV chargers network (70 new stations)

Retail
- Development of fuel network (50 new stations, including 30 own stations)
- Development of non-fuel sales (140 new Stop Cafe/Star Connect locations)
- Launching new products and services

Upstream
- Canada / Poland – focus on Kakwa and Ferrier / Egde, Miocen and Płotki projects

Market outlook

Macro

- Brent crude oil – we expect crude oil price to increase in comparison to average from 2020 mainly due to effect of forecasted strong demand growth on fuels in the second half of 2021 (COVID-19 vaccines program). From the beginning of the year Saudi Arabia reduced production of crude oil by 1 mbd limiting significantly crude oil surplus on the market. Abovementioned factors translated into increase in price expectations by ca. 10 USD/bbl. We expect that crude oil price in 1Q21 will amount to 55 USD/bbl to reach a level of 60 USD/bbl at the end of the year.
- Refining margin – expected increase of refining margin in comparison to average from 2020, however the increase will be slow until global production potential is reduced by ca. 3,7 mbd (including ca. 1,7 mbd in Europe), which may take several quarters.
- Petrochemical margin – we expect petrochemical margins to remain at ca. 800 EUR/ t. Petrochemicals depend on economic activity, which sharply declined, however in Europe, which is an importer of many base petrochemicals, opportunities for local production have appeared due to the slump in imports.
- In short periods, refining and petrochemical margins will depend on crude oil prices fluctuations.

Economy

- GDP forecast* – Poland 3,1%, the Czech Republic 1,7%, Lithuania 1,9%, Germany 5,1%.
- Fuel consumption – expected increase in fuel demand as a result of the economic recovery after COVID-19.

Regulation

- National Index Target – base level for 2021 set on 8,7%.
  PKN ORLEN will be able to take advantage of the possibility to reduce the ratio to 5,707%.
- Retail tax – implementation from 1 January 2021.

Poland (NBP, November 2020); Germany (CE, December 2020); the Czech Republic (CNB, November 2020); Lithuania (LB, December 2020)

Thank you for your attention

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Agenda

Supporting slides

EBITDA LIFO – clean results before impact of inventory revaluation

EBITDA LIFO PLN m	1Q19	2Q19	3Q19	4Q19	12M19	1Q20	2Q20	3Q20	4Q20	12M20
Refining	499	851	1 167	267	2 784	-353	614	-370	-145	-254
incl. NRV	242	-39	-142	-45	16	-1 551	1 169	-65	365	-82
Refining excl. NRV	257	890	1 309	312	2 768	1 198	-555	-305	-510	-172
Petrochemicals	708	708	721	177	2 314	766	251	502	508	2 027
incl. NRV	0	0	-1	0	-1	-58	39	-1	-7	-27
Petrochemicals excl. NRV	708	708	722	177	2 315	824	212	503	515	2 054
Energy	242	432	514	381	1 569	488	749	1 017	1 111	3 365
Retail	676	859	925	585	3 045	706	726	1 035	827	3 294
Upstream	94	83	85	33	295	219	10	44	50	323
Corporate functions	-205	-201	-245	-184	-835	-219	-347	-263	83	-746
EBITDA LIFO	**2 014**	**2 732**	**3 167**	**1 259**	**9 172**	**1 607**	**2 003**	**1 965**	**2 434**	**8 009**
incl. NRV	**242**	**-39**	**-143**	**-45**	**15**	**-1 609**	**1 208**	**-66**	**358**	**-109**
EBITDA LIFO excl. NRV	**1 772**	**2 771**	**3 310**	**1 304**	**9 157**	**3 216**	**795**	**2 031**	**2 076**	**8 118**

Results – split by quarter

PLN m	4Q19	3Q20	4Q20	Δ (y/y)	12M19	12M20	Δ
Revenues	27 500	23 918	23 173	-16%	111 203	86 178	-23%
EBITDA LIFO	1 259	1 965	2 434	93%	9 172	8 009	-13%
LIFO effect	221	267	-103	-	-131	-2 374	-1712%
EBITDA	1 480	2 232	2 331	58%	9 041	5 635	-38%
Depreciation	-925	-1 183	-1 273	-38%	-3 497	-4 509	-29%
EBIT LIFO	334	782	1 161	248%	5 675	3 500	-38%
EBIT	555	1 049	1 058	91%	5 544	1 126	-80%
Net result	582	677	583	0%	4 298	3 383	-21%

Operational results before impairments of assets : 4Q20 PLN 16 m / 3Q20 PLN 8 m / 4Q19 PLN (-) 79 m / 12M20 PLN (-) 626 m / 12M19 PLN (-) 179 m
NRV: 4Q20 PLN 358 m / 3Q20 PLN (-) 66 m / 4Q19 PLN (-) 45 m / 12M20 PLN (-) 109 m / 12M19 PLN 15 m
12M20 results do not include profit on a bargain purchase of ENERGA shares from 2Q20 in the amount of PLN 4 062 m

Results – split by segment

4Q20 PLN m	Refining	Petchem	Energy	Retail	Upstream	Corporate functions	TOTAL
EBITDA LIFO	-145	508	1 111	827	50	83	2 434
LIFO effect	-77	-26	-	-	-	-	-103
EBITDA	-222	482	1 111	827	50	83	2 331
Depreciation	-332	-232	-384	-198	-74	-53	-1 273
EBIT	-554	250	727	629	-24	30	1 058
EBIT LIFO	-477	276	727	629	-24	30	1 161

4Q19 mln PLN	Refining	Petchem	Energy	Retail	Upstream	Corporate functions	TOTAL
EBITDA LIFO	267	177	381	585	33	-184	1 259
LIFO effect	183	38	-	-	-	-	221
EBITDA	450	215	381	585	33	-184	1 480
Depreciation	-295	-213	-117	-162	-83	-55	-925
EBIT	155	2	264	423	-50	-239	555
EBIT LIFO	-28	-36	264	423	-50	-239	334

Data before impairments of assets: 4Q20 PLN 16 m / 4Q19 PLN (-) 79 m
NRV: 4Q20 PLN 358 m / 4Q19 PLN (-) 45 m

EBITDA LIFO – split by segment

PLN m	4Q19	3Q20	3Q20	Δ (y/y)	12M19	12M20	Δ
Refining	267	-370	-145	-	2 784	-254	-
Petchem	177	502	508	187%	2 314	2 027	-12%
Energy	381	1 017	1 111	192%	1 569	3 365	114%
Retail	585	1 035	827	41%	3 045	3 294	8%
Upstream	33	44	50	52%	295	323	9%
Corporate functions	-184	-263	83	-	-835	-746	11%
EBITDA LIFO	**1 259**	**1 965**	**2 434**	**93%**	**9 172**	**8 009**	**-13%**

Operational results before impairments of assets: 4Q20 PLN 16 m / 3Q20 PLN 8 m / 4Q19 PLN (-) 79 m / 12M20 PLN (-) 626 m / 12M19 PLN (-) 179 m
NRV: 4Q20 PLN 358 m / 3Q20 PLN (-) 66 m / 4Q19 PLN (-) 45 m / 12M20 PLN (-) 109 m / 12M19 PLN 15 m
12M20 results do not include profit on a bargain purchase of ENERGA shares from 2Q20 in the amount of PLN 4 062 m

Results – split by company

4Q20 PLN m	PKN ORLEN	Unipetrol [2]	ORLEN Lietuva [2]	ENERGA [2]	Others and consolidation corrections	TOTAL
Revenues	15 000	3 636	2 727	3 259	-1 449	23 173
EBITDA LIFO	1 309	50	72	511	492	2 434
LIFO effect [1]	25	-54	-86	-	12	-103
EBITDA	1 334	-4	-14	511	504	2 331
Depreciation	496	231	37	264	245	1 273
EBIT	838	-235	-51	247	259	1 058
EBIT LIFO	813	-181	35	247	247	1 161
Financial income	204	18	-	91	-136	177
Financial costs	-281	-41	-6	-112	5	-435
Net result	633	-213	-29	146	46	583

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

ORLEN Lietuva

PLN m	4Q19	3Q20	4Q20	Δ (y/y)	12M19	12M20	Δ
Revenues	4 949	2 891	2 727	-45%	19 676	10 926	-44%
EBITDA LIFO	-6	-158	72	-	419	-491	-
EBITDA	4	-41	-14	-	426	-590	-
EBIT	-33	-78	-51	-55%	275	-738	-
Net result	17	-54	-29	-	290	-580	-

- Decrease in revenues as a result of lower (y/y) quotations of refining and petrochemical products and lower refining volumes at higher petrochemical volumes.
- Decrease of refining utilization by (-) 14 pp (y/y) due to unfavorable macroeconomic situation. Fuel yield decreased by (-) 2 pp (y/y) as a result of higher share of high-sulphur crude oil in the throughput.
- EBITDA LIFO higher by PLN 78 m (y/y) mainly due to positive impact of inventory revaluation (NRV) at the amount of PLN 262 m (y/y) and positive effect of historical inventories layers use. Negative macro impact (lower differential and margins on light and middle distillates) and lower sale volumes.
- CAPEX 4Q20: PLN 192 m / 12M20: PLN 339 m

Data before impairments of assets: 12M19 PLN 1 m

Unipetrol

PLN m	4Q19	3Q20	4Q20	Δ (y/y)	12M19	12M20	Δ
Revenues	5 205	3 795	3 636	-30%	21 582	13 979	-35%
EBITDA LIFO	100	-93	50	-50%	975	-46	-
EBITDA	152	31	-4	-	977	-253	-
EBIT	-55	-163	-235	-327%	213	-1 082	-
Net result	-99	-125	-213	-115%	105	-899	-

- Decrease in revenues as a result of drop in the refining and petrochemical products quotations and lower refining and retail volumes.
- Lower crude oil throughput and as a result lower refining capacity utilisation by (-) 11 pp (y/y) mainly as a result of shutdowns of CDU, FKK, Visbreaking and PE3 Units. Fuel yield decreased by (-) 2 pp (y/y) as a result of the above-mentioned shutdowns of conversion units and higher share of sulphated crude oil in the throughput.
- EBITDA LIFO lower by PLN (-) 50 m (y/y) mainly due to negative macro effect in the refining, lower sales volumes and lower trading margins (y/y). Positive impact of NRV at the level of PLN 142 m (y/y) and positive impact of usage of historical layers of inventories (y/y).
- CAPEX 4Q20: PLN 429 m / 12M20: PLN 1 669 m

Data before impairments of assets: 4Q19 PLN (-) 22 m / 3Q20 PLN (-) 1 m / 4Q20 PLN (-) 10 m / 12M19 PLN (-) 39 m / 12M20 PLN (-) 11 m

ENERGA Group

PLN m	4Q19	3Q20	4Q20	Δ (y/y)	12M19	12M20	Δ
Revenues	3 107	3 030	3 377	9%	12 172	12 553	3%
EBITDA	297	501	482	62%	2 039	2 038	0%
EBIT	14	238	223	1493%	960	994	4%
Net result	-1 356	85	254	-	-1 001	-428	57%

- Increase of revenues as an effect of higher revenues in Production Business Line (higher volume of electricity production and sales prices as well as higher Energy trading on the wholesale market) and Distribution Business Line (higher by 6% average price of distribution service).
- Energa Group EBITDA higher by 185 m (y/y) due to higher results of Distribution Business Line (higher margin on distribution service and lower OPEX) and Sales Business Line (positive effect of one-offs including changes in reserves on onerous contracts and also recognition in IV quarter 2020 compensation resulting from final settlement of „energy" act from 2019) at comparable results of Production Business Line.
- CAPEX 4Q20: PLN 466 m

Results before impairments on assets: 4Q19 PLN (-) 230 m / 3Q20 PLN (-) 2 m / 4Q20 PLN 161 m / 12M19 PLN (-) 501 m / 12M20 PLN (-) 312 m

Production data

ORLEN Group	4Q19	3Q20	4Q20	Δ (y/y)	Δ (q/q)	12M19	12M20	Δ
Processed crude (kt)	8 352	8 219	7 391	-12%	-10%	33 879	29 485	-13%
Utilization	94%	93%	84%	-10 pp	-9 pp	96%	84%	-12 pp
PKN ORLEN [1]								
Processed crude (kt)	3 996	4 204	3 671	-8%	-13%	16 207	15 306	-6%
Utilization	97%	103%	90%	-7 pp	-13 pp	99%	94%	-5 pp
Fuel yield [4]	84%	83%	77%	-7 pp	-6 pp	84%	82%	-2 pp
Light distillates yield [5]	34%	34%	32%	-2 pp	-2 pp	34%	34%	0 pp
Middle distillates yield [6]	50%	49%	45%	-5 pp	-4 pp	50%	48%	-2 pp
Unipetrol [2]								
Processed crude (kt)	1 991	1 914	1 739	-13%	-9%	7 854	6 076	-23%
Utilization	91%	88%	80%	-11 pp	-8 pp	90%	70%	-20 pp
Fuel yield [4]	81%	80%	79%	-2 pp	-1 pp	81%	81%	0 pp
Light distillates yield [5]	34%	35%	34%	0 pp	-1 pp	35%	36%	1 pp
Middle distillates yield [6]	47%	45%	45%	-2 pp	0 pp	46%	45%	-1 pp
ORLEN Lietuva [3]								
Processed crude (kt)	2 285	2 065	1 915	-16%	-7%	9 515	7 847	-18%
Utilization	89%	81%	75%	-14 pp	-6 pp	93%	77%	-16 pp
Fuel yield [4]	77%	75%	75%	-2 pp	0 pp	74%	75%	1 pp
Light distillates yield [5]	31%	31%	32%	1 pp	1 pp	29%	31%	2 pp
Middle distillates yield [6]	46%	44%	43%	-3 pp	-1 pp	45%	44%	0 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

Gearing = net debt / equity calculated acc. to average balance sheet amount in the period

Net debt = (short-term + long-term Interest-bearing loans and borrowings) – cash

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