

PRESS RELEASE  
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LUKOIL COMPLETES THE DEAL ON ACQUIRING INTEREST IN SHAH-DENIZ PROJECT

PJSC LUKOIL announces completion of the transaction of buying a 9.99% interest in the Shah-Deniz gas project from PETRONAS. The transaction value is approximately \$1.45 billion.

Following the completion of the deal, LUKOIL increased its share in the project from 10% to 19.99%. Other parties to the project are bp (29.99%, operator), TPAO (19%), SOCAR (14.35%), NICO (10%) and SGC (6.67%).

*Information:*

*The Shah Deniz gas condensate field is located in the Azerbaijan sector of the Caspian Sea, 70 kilometres southeast of Baku.*

*The project is implemented under a PSA; commercial production there began in 2006. In 2021, Shah Deniz consortium extracted 22.7 bcm of gas and 4.2 million tonnes of oil and gas condensate.*

*In 2018, the second stage of the project was launched, with annual production expected to reach 26 bcm of gas and 5 million tonnes of oil and gas condensate. The gas is sold on the markets of Azerbaijan, Georgia, and Turkey. Since December 2020, it is also delivered to Europe.*