

OPINION
of Rosneft Audit Commission based on the findings of the
2019 Audit of Financial and Business Activities

Moscow

April 10,2020

The Audit Commission appointed by Rosneft Annual General Shareholders Meeting on 4 June 2019 (Minutes w/o No. dated 7 June 2019) and represented by:

Chairman of Rosneft Audit Commission:

Zakhar Sabantsev – Section Head, Bank Sector Monitoring,
Organisational Support and Consolidated Work Section,
Financial Policy Department, Ministry of Finance of
the Russian Federation

Members of Rosneft’s Audit Commission:

Olga Andrianova – Chief Accountant – Head of Financial and Economic
Service at JSC ROSNEFTEGAZ

Alexander Bogashov – Minister of Properties of the Chelyabinsk Region

Sergey Poma – Vice President of the National Association of
Securities Market Participants (NAUFOR)

Pavel Shumov – Acting Deputy Director,
Department of State Regulation of Tariffs and Infrastructure Reforms,
Ministry of Economic Development of the Russian
Federation,

in accordance with the Federal Law “On Joint-Stock Companies”, the Rosneft Charter, the Regulations on Rosneft Audit Commission, and pursuant to the Guidelines on the Audit Process Organisation in the Audit Commissions of Joint-Stock Companies in which the Russian Federation Holds an Interest, carried out the audit of financial and business operations of Rosneft (“Rosneft” or the “Company”) for 2019.

In the course of the audit, the following documents of the Company for 2019 were reviewed: Accounting Policy; Balance Sheet, Profit and Loss Statement, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Balance Sheet and the consolidated financial statements for 2019; opinion of external auditor Ernst & Young LLC confirming the reliability of accounting (financial) statements data; the Annual Report on the Financial and Business Operations Results for the Reporting Period, the Report on Related-party Transactions entered into by the Company, and other documents.

The sampling audit included a review of tests of figures in the accounting (financial) statements and disclosure of information on financial and business

operations, assessment of compliance with the accounting principles and rules used in the preparation of the accounting (financial) statements, review of key assessment indicators.

1. General Information

The Company was established in accordance with Presidential Decree No. 327 dated 1 April 1995 “On Priority Measures for Improvement of Oil Companies’ Operations” and on the basis of the Russian Government’s Resolution No. 971 dated 29 September 1995 “On Reorganisation of State Enterprise Rosneft into Open Joint-Stock Company Oil Company Rosneft”, and recorded in the Unified State Register of Legal Entities (Certificate Series 77 No. 004856711 dated 12 August 2002), Primary State Registration Number (OGRN) 1027700043502.

Information of the Company's public status is included in the Charter and the Unified State Register of Legal Entities.

Registered office of the Company: Moscow, Russian Federation.

Mailing address: 26/1 Sofiyskaya Embankment, 115035, Moscow, Russian Federation.

The core activities of the Company are: search, exploration, extraction, processing and refining of oil, gas, gas condensate, as well as sales of oil, gas, gas condensate and refined products to consumers in the Russian Federation and abroad, and any related activities. Priority areas of the Company’s operations correspond to the activities specified in the current version of the Company Charter.

As at 31 December 2019, the structure of the Company's governing bodies is fully consistent with the Company's amended Charter No. 3 approved by the General Shareholders Meeting on 29 September 2017 (Minutes w/o No. dated 4 October 2017) and registered on 13 October 2017 under State Registration Number 8177748265291.

As per the register of registered securities, the holders of the Company’s shares as at 31 December 2019 were:

- JSC ROSNEFTEGAZ: 5,299,088,910 ordinary shares representing 50.00000001% of all of the Company’s ordinary shares and charter capital;
- BP Russian Investments Limited: 2,092,900,097 ordinary shares representing 19.75% of all of the Company’s ordinary shares and charter capital;

- QH Oil Investments LLC: 2,006,045,126 ordinary shares representing 18.93% of all of the Company's ordinary shares and charter capital;
- National Settlement Depository (Non-Banking Credit Organisation, nominee central depository): 1,163,626,202 ordinary shares representing 10.98% of all of the Company's ordinary shares and charter capital;
- Other legal entities: 1,182,555 ordinary shares representing 0.01% of all of the Company's ordinary shares and charter capital;
- Individuals: 35,180,243 ordinary shares representing 0.33% of all of the Company's ordinary shares and charter capital;
- The Russian Federation represented by the Federal Agency for State Property Management: 1 ordinary share representing 0.000000009% of all of the Company's ordinary shares and charter capital;
- Unidentified: 154,683 ordinary shares representing less than 0.001% of all of the Company's ordinary shares and charter capital.

2. Annual accounting (financial) statements

The accounting in the Company is compliant with the regulatory requirements governing accounting and reporting in the Russian Federation and the Company's Accounting Policy.

The 2019 accounting (financial) statements of the Company were prepared in accordance with Federal Law of the Russian Federation No. 402-FZ dated 6 December 2011 "On Accounting", Order No. 34n of the Ministry of Finance of the Russian Federation dated 29 July 1998 "On Approval of the Regulations on Accounting and Reporting in the Russian Federation", Order No. 66n of the Ministry of Finance of the Russian Federation dated 2 July 2010 "On Forms of Accounting Statements of Organisations", as well as other regulations included in the accounting and reporting regulations of the Russian Federation.

The annual inventory of the Company's assets and liabilities is completed on time and in full.

The Company has in place a system of internal controls over accounting and accounting (financial) statements preparation.

Audit company Ernst & Young LLC provided a positive opinion on the accounting (financial) statements prepared in accordance with the Russian Accounting Standards. According to the auditor, the Company's accounting statements present fairly, in all material respects, its financial position as at 31 December 2019 and its financial performance and cash flows for 2019 in

accordance with the accounting (financial) statements preparation rules established in the Russian Federation.

The Company's net assets as at 31 December 2019 amounted to RUB 2,262 bln, which significantly exceeds its charter capital and demonstrates a stable financial position of the Company.

The Company's Audit Commission notes that the 2019 Annual Report of the Company includes information on the Rosneft legal entity and on legal entities within Rosneft Group. The report is prepared with the use of Rosneft Group's IFRS statements.

3. Opinion of the Audit Commission

Following the audit of Rosneft financial and business operations, the Audit Commission of the Company confirms the accuracy and reliability of data included in Rosneft Annual Report and annual accounting (financial) statements as at 31 December 2019.

Following the review of the report on related-party transactions entered into by Rosneft in the reporting year, the Audit Commission of the Company confirms the accuracy and reliability of the information included in it.

No evidence has been identified of any non-compliance with the regulations of the Russian Federation governing accounting procedures or accounting (financial) statements presentation, as well as with other regulations of the Russian Federation in the course of financial and business operations of the Company.

This Opinion shall be considered in conjunction with all formats of report forms and the explanatory note, which constitute an integral part of the Annual Report of the Company.

Chairman of the Audit Commission: Z. Sabantsev

Members of the Audit Commission:

D. Andrianova

A. Bogashov

S. Poma

P. Shumov