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*This announcement and the listing document referred to herein have been published for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") (the "Listing Rules") and do not constitute an offer to sell nor a solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing document) forms the basis for any contract or commitment whatsoever. For the avoidance of doubt, the publication of this announcement and the listing document referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

*Notice to Hong Kong investors: The Issuer confirms that the Notes (as defined below) are intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and have been listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

## **PUBLICATION OF PRICING SUPPLEMENTS AND OFFERING MEMORANDUM**



**KazMunayGas National Company Joint-Stock Company**

*(a joint stock company incorporated in the Republic of Kazakhstan)*

**(the "Issuer")**

**Issue of CNY1,500,000,000 2.30 per cent. Notes due 2031 (Stock Code: 85161)**

**and**

**CNY2,000,000,000 2.80 per cent. Notes due 2036 (Stock Code: 85162)**

**(collectively, the "Notes")**

**under the CNY10,000,000,000 Medium Term Note Programme**

**(the "Programme")**

This announcement is issued pursuant to Rule 37.39A of the Listing Rules.

Please refer to the pricing supplements dated 26 August 2026 in relation to the Notes (the "**Pricing Supplements**") appended herein, and the offering memorandum dated 20 October 2025 in relation to the Programme, as supplemented by an offering memorandum supplement dated 20 August 2026 (the "**Offering Memorandum**", and together with the Pricing Supplements, the "**Listing Documents**" and each a "**Listing Document**") appended herein. As disclosed in the Listing Documents, the Notes are intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and have been listed on the Hong Kong Stock Exchange on that basis.

None of the Listing Documents constitute a prospectus, notice, circular, brochure or advertisement offering to sell any Notes to the public in any jurisdiction, nor is any Listing Document an invitation to the public to make offers to subscribe for or purchase any securities, nor is any Listing Document circulated to invite offers by the public to subscribe for or purchase any securities.

None of the Listing Documents should be regarded as an inducement to subscribe for or purchase any Notes of the Issuer, and no such inducement is intended.

3 September 2026

*As at the date of this announcement, the directors of the Issuer are Nurlan Karshagovich Zhakupov, Askhat Galimovich Khassenov, Askar Orazaliyevich Shakirov, Bakhytzhn Ryspekovich Taubayev, Saya Naimanbaykyzy Mynsharipova, Arman Anuarbekovich Argingazin, Zhandos Abayuly Kairgeldi and Zhubayev Armanbai Saparbayevich.*

**APPENDIX A**  
**Pricing Supplements dated 26 August 2026**

## Pricing Supplement

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) № 600/2014, as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO AIFC RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the AIFC. For these purposes, a retail investor has the meaning defined in AIFC Market Rules 1.1.2(6)(b).

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

**Pricing Supplement dated 26 August 2026**

**KAZMUNAYGAS NATIONAL COMPANY JOINT-STOCK COMPANY**  
(the "**Issuer**")

**Issue of CNY1,500,000,000 2.30 per cent. Notes due 2031 (the "Notes")**  
**CNY10,000,000,000 Medium Term Note Programme (the "Programme")**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed as such for the purposes of the Conditions set forth in the offering memorandum dated 20 October 2025, as supplemented by the offering memorandum supplement dated 20 August 2026 (together, the "**Offering Memorandum**"). This document constitutes the pricing supplement of the Notes (the "**Pricing Supplement**") described herein and must be read in conjunction with such Offering Memorandum. Full information on the Issuer, the Issuer and its subsidiaries taken as a whole (the "**Group**") and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and the Offering Memorandum. The Offering Memorandum has been published on HKExnews website established by the Hong Kong Stock Exchange (as defined below) and on the website of the Astana International Exchange (the "**AIX**"). Copies are available for viewing during normal business hours at the office of Bank of China (Hong Kong) Limited, as CMU Lodging and Paying Agent, at 5/F., Bank of China Building, 2A Des Voeux Road Central, Hong Kong.

This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong**"))



**Stock Exchange")) ("Professional Investors") only. Notice to Hong Kong investors:** The Issuer confirms that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Group or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

This Pricing Supplement includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The AIX and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this document, including the accuracy or completeness of any information or statement included in it. Liability for this document lies with the Issuer. The AIX, its directors, officers or employees have not assessed the suitability of the Notes to which this documents relates for any particular investor or type of investor. If you do not understand the contents of this document or are unsure whether the Notes are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.

**AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK, SEE THE SECTION ENTITLED "RISK FACTORS" SET OUT IN THE OFFERING MEMORANDUM.**

- |    |                                                                              |                                                  |
|----|------------------------------------------------------------------------------|--------------------------------------------------|
| 1. | Issuer:                                                                      | KazMunayGas National Company Joint-Stock Company |
| 2. | (i) Series Number:                                                           | 02                                               |
|    | (ii) Tranche Number:                                                         | 01                                               |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable                                   |
| 3. | Specified Currency or Currencies:                                            | Offshore Renminbi ("CNY")                        |
| 4. | Aggregate Nominal Amount of Notes:                                           |                                                  |
|    | (i) Series:                                                                  | CNY 1,500,000,000                                |
|    | (ii) Tranche:                                                                | CNY 1,500,000,000                                |
| 5. | Issue Price:                                                                 | 99.298% of the Aggregate Nominal Amount          |

- |    |      |                            |                                                                 |
|----|------|----------------------------|-----------------------------------------------------------------|
| 6. | (i)  | Specified Denominations:   | CNY1,000,000 and integral multiples of CNY10,000                |
|    | (ii) | Calculation Amount:        | CNY10,000                                                       |
| 7. | (i)  | Issue Date:                | 2 September 2026                                                |
|    | (ii) | Interest Commencement Date | Issue Date                                                      |
| 8. |      | Maturity Date:             | Interest Payment Date falling in or nearest to 2 September 2031 |

#### **PROVISIONS RELATING TO INTEREST PAYABLE**

- |    |       |                           |                                                                                                                                                                                                                                               |
|----|-------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9. | (i)   | Rate of Interest:         | 2.30% per annum payable semi-annually in arrear on each Interest Payment Date                                                                                                                                                                 |
|    | (ii)  | Interest Payment Date(s): | 2 March and 2 September in each year adjusted in accordance with the Modified Following Business Day Convention                                                                                                                               |
|    | (iii) | Fixed Coupon Amount(s):   | Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards |
|    | (iv)  | Broken Amount(s):         | Not Applicable                                                                                                                                                                                                                                |
|    | (v)   | Day Count Fraction:       | Actual / 365 (Fixed)                                                                                                                                                                                                                          |
|    | (vi)  | Determination Dates:      | Not Applicable                                                                                                                                                                                                                                |

#### **PROVISIONS RELATING TO REDEMPTION**

- |     |                                                                                                                                                |                                  |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| 10. | Call Option                                                                                                                                    | Not Applicable                   |
| 11. | Put Option                                                                                                                                     | Not Applicable                   |
| 12. | Par Option Commencement Date                                                                                                                   | 2 June 2031                      |
| 13. | Final Redemption Amount of each Note                                                                                                           | CNY10,000 per Calculation Amount |
| 14. | Early Redemption Amount                                                                                                                        |                                  |
|     | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: | CNY10,000 per Calculation Amount |

## **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |                      |                                                                                                                               |
|-----|----------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 15. | Form of Notes:       | Registered Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Registered Global Note |
| 16. | Financial Centre(s): | Not Applicable                                                                                                                |

## **THIRD PARTY INFORMATION**

Not Applicable

Signed on behalf of the Issuer:

By:  ..... Marat Dikanbayev  
Duly authorised



## **PART B – OTHER INFORMATION**

### **1. LISTING**

- (i) Listing: Hong Kong Stock Exchange and AIX
- (ii) Admission to trading: Application will be made by the Issuer (or on its behalf) for listing of and permission to deal in the Notes on the Hong Kong Stock Exchange with effect from 3 September 2026.
- Application has also been made by the Issuer (or on its behalf) for the Notes to be admitted to the "exempt bonds" admission type of the official list of the AIX with effect from 2 September 2026.

### **2. RATINGS**

- Ratings: The Notes to be issued are expected to be rated Baa1 by Moody's

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

### **4. YIELD**

- Indication of yield: 2.45 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### **5. DISTRIBUTION**

- (i) If syndicated, names of Joint Lead Managers: Bank of China (Hong Kong) Limited, BOCI Asia Limited, BOCOM International Securities Limited, China CITIC Bank International Limited, Citigroup Global Markets Limited, Industrial and Commercial Bank of China (Asia) Limited and Industrial Bank Co., Ltd., Hong Kong Branch
- (ii) Date of Subscription Agreement: 26 August 2026

- |       |                                                                                                                                             |                                                                                                                                                                                                                                                              |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (iii) | Stabilising Manager                                                                                                                         | Any of the Joint Lead Managers appointed and acting in the capacity as a Stabilisation Manager, except for China CITIC Bank International Limited                                                                                                            |
| (iv)  | If non-syndicated, name of relevant Dealer:                                                                                                 | Not Applicable                                                                                                                                                                                                                                               |
| (v)   | U.S. Selling Restrictions:                                                                                                                  | Reg. S Category 1                                                                                                                                                                                                                                            |
| (vi)  | Additional selling restrictions:                                                                                                            | Not Applicable                                                                                                                                                                                                                                               |
| (vii) | Hong Kong SFC Code of Conduct:                                                                                                              | Applicable                                                                                                                                                                                                                                                   |
|       | (1) Rebates                                                                                                                                 | Not Applicable                                                                                                                                                                                                                                               |
|       | (2) Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: | <a href="mailto:TMG_Syndicate@cncbinternational.com">TMG_Syndicate@cncbinternational.com</a><br><a href="mailto:projecttulpar@bochk.com">projecttulpar@bochk.com</a><br><a href="mailto:Syndicate_omnibus@bocigroup.com">Syndicate_omnibus@bocigroup.com</a> |

## 6. OPERATIONAL INFORMATION

- |       |                                                                                  |                                                   |
|-------|----------------------------------------------------------------------------------|---------------------------------------------------|
| (i)   | ISIN:                                                                            | HK0001323051                                      |
| (ii)  | Common Code:                                                                     | 344164916                                         |
| (iii) | CMU Instrument No:                                                               | BCHKFN26021                                       |
| (iv)  | Any clearing system(s) other than CMU and the relevant identification number(s): | Euroclear Bank SA/NV and Clearstream Banking S.A. |
| (v)   | Delivery:                                                                        | Delivery against payment                          |
| (vi)  | Names and addresses of additional Paying Agent(s) (if any):                      | Not Applicable                                    |
| (vii) | Legal Entity Identifier:                                                         | 2138001H1M69RFJCSH88                              |

## Pricing Supplement

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) № 600/2014, as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO AIFC RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the AIFC. For these purposes, a retail investor has the meaning defined in AIFC Market Rules 1.1.2(6)(b).

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

**Pricing Supplement dated 26 August 2026**

**KAZMUNAYGAS NATIONAL COMPANY JOINT-STOCK COMPANY**  
**(the "Issuer")**  
**Issue of CNY2,000,000,000 2.80 per cent. Notes due 2036 (the "Notes")**  
**CNY10,000,000,000 Medium Term Note Programme (the "Programme")**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the offering memorandum dated 20 October 2025, as supplemented by the offering memorandum supplement dated 20 August 2026 (together, the "**Offering Memorandum**"). This document constitutes the pricing supplement of the Notes (the "**Pricing Supplement**") described herein and must be read in conjunction with such Offering Memorandum. Full information on the Issuer, the Issuer and its subsidiaries taken as a whole (the "**Group**") and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and the Offering Memorandum. The Offering Memorandum has been published on HKExnews website established by the Hong Kong Stock Exchange (as defined below) and on the website of the Astana International Exchange (the "**AIX**"). Copies are available for viewing during normal business hours at the office of Bank of China (Hong Kong) Limited, as CMU Lodging and Paying Agent, at 5/F., Bank of China Building, 2A Des Voeux Road Central, Hong Kong.

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**Stock Exchange")) ("Professional Investors") only. Notice to Hong Kong investors:** The Issuer confirms that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Group or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

This Pricing Supplement includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The AIX and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this document, including the accuracy or completeness of any information or statement included in it. Liability for this document lies with the Issuer. The AIX, its directors, officers or employees have not assessed the suitability of the Notes to which this documents relates for any particular investor or type of investor. If you do not understand the contents of this document or are unsure whether the Notes are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.

**AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK, SEE THE SECTION ENTITLED "RISK FACTORS" SET OUT IN THE OFFERING MEMORANDUM.**

- |    |                                                                              |                                                  |
|----|------------------------------------------------------------------------------|--------------------------------------------------|
| 1. | Issuer:                                                                      | KazMunayGas National Company Joint-Stock Company |
| 2. | (i) Series Number:                                                           | 03                                               |
|    | (ii) Tranche Number:                                                         | 01                                               |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable                                   |
| 3. | Specified Currency or Currencies:                                            | Offshore Renminbi ("CNY")                        |
| 4. | Aggregate Nominal Amount of Notes:                                           |                                                  |
|    | (i) Series:                                                                  | CNY 2,000,000,000                                |
|    | (ii) Tranche:                                                                | CNY 2,000,000,000                                |
| 5. | Issue Price:                                                                 | 98.452% of the Aggregate Nominal Amount          |



- |    |      |                            |                                                                 |
|----|------|----------------------------|-----------------------------------------------------------------|
| 6. | (i)  | Specified Denominations:   | CNY1,000,000 and integral multiples of CNY10,000                |
|    | (ii) | Calculation Amount:        | CNY10,000                                                       |
| 7. | (i)  | Issue Date:                | 2 September 2026                                                |
|    | (ii) | Interest Commencement Date | Issue Date                                                      |
| 8. |      | Maturity Date:             | Interest Payment Date falling in or nearest to 2 September 2036 |

#### **PROVISIONS RELATING TO INTEREST PAYABLE**

- |    |       |                           |                                                                                                                                                                                                                                               |
|----|-------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9. | (i)   | Rate of Interest:         | 2.80% per annum payable semi-annually in arrear on each Interest Payment Date                                                                                                                                                                 |
|    | (ii)  | Interest Payment Date(s): | 2 March and 2 September in each year adjusted in accordance with the Modified Following Business Day Convention                                                                                                                               |
|    | (iii) | Fixed Coupon Amount(s):   | Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards |
|    | (iv)  | Broken Amount(s):         | Not Applicable                                                                                                                                                                                                                                |
|    | (v)   | Day Count Fraction:       | Actual / 365 (Fixed)                                                                                                                                                                                                                          |
|    | (vi)  | Determination Dates:      | Not Applicable                                                                                                                                                                                                                                |

#### **PROVISIONS RELATING TO REDEMPTION**

- |     |                                                                                                                                                |                                  |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| 10. | Call Option                                                                                                                                    | Not Applicable                   |
| 11. | Put Option                                                                                                                                     | Not Applicable                   |
| 12. | Par Option Commencement Date                                                                                                                   | 2 March 2036                     |
| 13. | Final Redemption Amount of each Note                                                                                                           | CNY10,000 per Calculation Amount |
| 14. | Early Redemption Amount                                                                                                                        |                                  |
|     | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: | CNY10,000 per Calculation Amount |

## **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |                      |                                                                                                                               |
|-----|----------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 15. | Form of Notes:       | Registered Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Registered Global Note |
| 16. | Financial Centre(s): | Not Applicable                                                                                                                |

## **THIRD PARTY INFORMATION**

Not Applicable

Signed on behalf of the Issuer:

By:  ..... Marat Dikanbayev  
Duly authorised



## **PART B – OTHER INFORMATION**

### **1. LISTING**

- (i) Listing: Hong Kong Stock Exchange and AIX
- (ii) Admission to trading: Application will be made by the Issuer (or on its behalf) for listing of and permission to deal in the Notes on the Hong Kong Stock Exchange with effect from 3 September 2026.
- Application has also been made by the Issuer (or on its behalf) for the Notes to be admitted to the "exempt bonds" admission type of the official list of the AIX with effect from 2 September 2026.

### **2. RATINGS**

- Ratings: The Notes to be issued are expected to be rated Baa1 by Moody's

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

### **4. YIELD**

- Indication of yield: 2.98 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### **5. DISTRIBUTION**

- (i) If syndicated, names of Joint Lead Managers: Bank of China (Hong Kong) Limited, BOCI Asia Limited, BOCOM International Securities Limited, China CITIC Bank International Limited, Citigroup Global Markets Limited, Industrial and Commercial Bank of China (Asia) Limited and Industrial Bank Co., Ltd., Hong Kong Branch
- (ii) Date of Subscription Agreement: 26 August 2026

- |       |                                                                                                                                             |                                                                                                                                                                                                                                                              |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (iii) | Stabilising Manager                                                                                                                         | Any of the Joint Lead Managers appointed and acting in the capacity as a Stabilisation Manager, except for China CITIC Bank International Limited                                                                                                            |
| (iv)  | If non-syndicated, name of relevant Dealer:                                                                                                 | Not Applicable                                                                                                                                                                                                                                               |
| (v)   | U.S. Selling Restrictions:                                                                                                                  | Reg. S Category 1                                                                                                                                                                                                                                            |
| (vi)  | Additional selling restrictions:                                                                                                            | Not Applicable                                                                                                                                                                                                                                               |
| (vii) | Hong Kong SFC Code of Conduct:                                                                                                              | Applicable                                                                                                                                                                                                                                                   |
|       | (1) Rebates                                                                                                                                 | Not Applicable                                                                                                                                                                                                                                               |
|       | (2) Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: | <a href="mailto:TMG_Syndicate@cncbinternational.com">TMG_Syndicate@cncbinternational.com</a><br><a href="mailto:projecttulpar@bochk.com">projecttulpar@bochk.com</a><br><a href="mailto:Syndicate_omnibus@bocigroup.com">Syndicate_omnibus@bocigroup.com</a> |

## 6. OPERATIONAL INFORMATION

- |       |                                                                                  |                                                   |
|-------|----------------------------------------------------------------------------------|---------------------------------------------------|
| (i)   | ISIN:                                                                            | HK0001323069                                      |
| (ii)  | Common Code:                                                                     | 344164967                                         |
| (iii) | CMU Instrument No:                                                               | BCHKFN26022                                       |
| (iv)  | Any clearing system(s) other than CMU and the relevant identification number(s): | Euroclear Bank SA/NV and Clearstream Banking S.A. |
| (v)   | Delivery:                                                                        | Delivery against payment                          |
| (vi)  | Names and addresses of additional Paying Agent(s) (if any):                      | Not Applicable                                    |
| (vii) | Legal Entity Identifier:                                                         | 2138001H1M69RFJCSH88                              |

**APPENDIX B**  
**Offering Memorandum Supplement dated 20 August 2026**

## IMPORTANT NOTICE

**IMPORTANT: You must read the following before continuing.** The following applies to the Supplement following this page (the “**Supplement**”), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Supplement. In accessing the Supplement, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, OR WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE FOLLOWING SUPPLEMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** In order to be eligible to view the Supplement or make an investment decision with respect to the securities, investors must be persons that are not U.S. persons (within the meaning of Regulation S under the Securities Act) outside the United States. The Supplement is being sent at your request and, by accepting the e-mail and accessing the Supplement, you shall be deemed to have represented to us that (1) you are not a U.S. person and that the electronic mail address that you gave us and to which the Supplement has been delivered is (or, if you are acting for the account of another person, that such person is) not located in the United States and (2) you consent (and, if you are acting for the account of another person, such person consents) to delivery of the Supplement by electronic transmission.

You are reminded that the Supplement has been delivered to you on the basis that you are a person into whose possession the Supplement may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Supplement to any other person.

### IMPORTANT – AIFC RETAIL INVESTORS

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the Astana International Financial Centre (“**AIFC**”). For these purposes, a retail investor has the meaning defined in AIFC Market Rules (“**MAR**”) 1.1.2(6)(b).

### IMPORTANT – EEA RETAIL INVESTORS

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), as amended or superseded, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### IMPORTANT – UK RETAIL INVESTORS

The securities are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For

these purposes, a “retail investor” means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook (“**DISC**”) for offering, selling or distributing the notes or otherwise making them available to retail investors in the United Kingdom has been prepared and, therefore, offering, selling or distributing the notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are any persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) in connection with the issue or sale of any securities may otherwise lawfully be communicated or distributed (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

**NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – Unless otherwise stated in the pricing supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Dealers (as defined in the Supplement) nor any person who controls them nor any director, officer, employee nor agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Supplement distributed to you in electronic format and the hard copy version available to you on request from any such Dealer.

Neither the issue of the Notes nor the Supplement in respect of the Notes has been, or is intended to be, registered with the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market. The information contained in this electronic transmission and the attached document is not an offer, or an invitation to make offers, to sell, purchase, exchange or otherwise transfer securities in Kazakhstan to or for the benefit of any Kazakhstani person or entity, except for compliance with laws applicable in Kazakhstan to such capacity of such persons or entities. This electronic transmission and the attached document shall not be construed as an advertisement (i.e. information intended for an unlimited group of persons which is distributed and placed in any form and aimed to create or maintain interest in the Issuer and its merchandise, trademarks, works, services and/or its securities and promote their sales) in, and for the purpose of the laws of, Kazakhstan, unless such advertisement is in full compliance with Kazakhstani laws and the rules and regulations of the AIFC.





**KazMunayGas National Company Joint-Stock Company**  
(a joint stock company incorporated in the Republic of Kazakhstan)

**CNY10,000,000,000 Medium Term Note Programme**

This offering memorandum supplement (the “**Supplement**”) is supplemental to, forms part of, and must be read in conjunction with, the offering memorandum dated 20 October 2025 (the “**Offering Memorandum**”) prepared by KazMunayGas National Company Joint-Stock Company (the “**Issuer**” or “**KMG**”) with respect to its CNY10,000,000,000 Medium Term Note Programme (the “**Programme**”). This Supplement does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129, Public Offers and Admissions to Trading Regulations 2024 (the “**POATRs**”) or the Prospectus Rules: Admission to Trading on a Regulated Market Sourcebook (the “**PRM**”).

Capitalised terms used in this Supplement without otherwise being defined shall, unless the context otherwise requires, have the same meaning assigned thereto in the Offering Memorandum.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer, the information contained in this Supplement is true and accurate in all material respects, is in accordance with the facts and does not omit anything likely to affect the import of such information or which would make misleading any statement in this Supplement, whether of facts or opinion.

Application has been made to The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) for the listing of the Programme under which Notes may be issued by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (“**Professional Investors**”) only during the 12-month period after the date of the Offering Memorandum on the Hong Kong Stock Exchange. This Supplement is for distribution to Professional Investors only.

**Notice to Hong Kong investors: The Issuer confirms that the Notes to be issued under the Programme are intended for purchase by Professional Investors only and the Programme has been and the Notes (to the extent such Notes are to be listed on the Hong Kong Stock Exchange) will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.**

**The Hong Kong Stock Exchange has not reviewed the contents of this Supplement, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Supplement to Professional Investors only have been reproduced in this Supplement. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Group or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Supplement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Supplement.

This Supplement, together with the Offering Memorandum, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

This Supplement has been prepared in order to:

- (i) incorporate into the Offering Memorandum (A) the unaudited interim condensed consolidated financial statements of the Issuer and its subsidiaries (together, the “**Group**”) as at and for the six months ended 30 June 2026 (the “**2026 Interim Financial Statements**”), together with the notes thereto and the independent auditor’s review report thereon, and (B) the audited consolidated financial statements of the Group as at and for the year ended 31 December 2025, together with the notes thereto and the

independent auditor's audit report thereon (the "**2025 Financial Statements**", and together with the 2026 Interim Financial Statements, the "**Financial Statements**"); and

- (ii) amend or supplement the front cover and the final page of the Offering Memorandum and the sections of the Offering Memorandum entitled "*Presentation of Financial, Reserves and Certain Other Information*", "*Risk Factors*", "*Selected Financial Information*", "*Business*", "*Taxation*", "*Transfer Restrictions*" and "*General Information*" to: (A) present the Financial Statements; and (B) to reflect recent operational, legal and regulatory developments.

To the extent that there is any inconsistency between any statement in this Supplement and any statement in the Offering Memorandum, the statements in this Supplement will prevail. Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to the information included in the Offering Memorandum, which is capable of affecting the assessment of Notes issued under the Programme, has arisen or been noted, as the case may be, since the publication of the Offering Memorandum. This Supplement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The date of this Supplement is 20 August 2026

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## JOINT ARRANGERS AND DEALERS

References to “China International Capital Corporation” and “China International Capital Corporation Hong Kong Securities Limited” on the front cover of the Offering Memorandum, in the sections titled “Overview of the Programme”, “Subscription and Sale” and on the final page of the Offering Memorandum are hereby replaced (without duplication) with “Industrial and Commercial Bank of China (Asia) Limited” and the following details, as applicable:

**Industrial and Commercial Bank of China (Asia) Limited**  
GCF, 28/F, ICBC Tower, 3 Garden Road,  
Central, Hong Kong

## PRESENTATION OF FINANCIAL, RESERVES AND CERTAIN OTHER INFORMATION

The independent auditors of the Issuer, PricewaterhouseCoopers LLP, acting as auditors under licence № #0000005 dated 21 October 1999 issued by the Ministry of Finance of the Republic of Kazakhstan, issued (i) an independent auditor’s report dated 5 March 2026 relating to the Issuer’s consolidated financial statements as at, and for the year ended, 31 December 2025 which include comparative financial information as at and for the year ended 31 December 2024 (the “**2025 Financial Statements**”) and (ii) a report on review of interim financial information dated 12 August 2026 relating to the Issuer’s unaudited interim condensed consolidated financial statements as at and for the six months ended 30 June 2026 (the “**2026 Interim Financial Statements**”). The 2025 Financial Statements have been audited by the current independent auditors of the Issuer in accordance with International Standards on Auditing. The 2026 Interim Financial Statements have been reviewed by the current independent auditor of the Issuer in accordance with International Standard on Review Engagement 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. The 2025 Financial Statements have been prepared in accordance with IFRS accounting standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”), and the 2026 Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting, also as issued by the IASB.

PricewaterhouseCoopers LLP’s (i) report on review in respect of the 2026 Interim Financial Statements appears on page F-3 of this Supplement, and (ii) independent auditor’s report in respect of the 2025 Financial Statements appears on pages F-45 of this Supplement. The financial information set forth herein, unless otherwise indicated, has been extracted without material adjustment from the 2025 Financial Statements and the 2026 Interim Financial Statements and the notes thereto contained in this Supplement beginning on page F-1.

Unless otherwise stated, the consolidated financial information of the Group set out in this Supplement as at and for the year ended 31 December 2025 has been derived from the 2025 Financial Statements. Unless otherwise stated, the consolidated financial information of the Group set out in this Supplement as at and for the year ended 31 December 2024 has been derived from the Issuer’s consolidated financial statements as at, and for the year ended, 31 December 2024 contained in the Offering Memorandum.

Unless otherwise stated, the consolidated financial information of the Group set out in this Supplement as at 30 June 2026 and for the six months ended 30 June 2026 and 2025 has been derived from the 2026 Interim Financial Statements. The unaudited consolidated financial information of the Group for the twelve months ended 30 June 2026 presented in section entitled “*Selected Financial Information - Alternative Performance Measures*” of this Supplement has been prepared solely for the purpose of this Supplement, is not prepared in the ordinary course of the Group’s financial reporting and has not been audited or reviewed by the Group’s independent auditors. The unaudited consolidated financial information for the twelve-month period ended 30 June 2026 presented in the section entitled “*Selected Financial Information - Alternative Performance Measures*” of this Supplement is not required by or presented in accordance with IFRS or any other generally accepted accounting principles. The unaudited consolidated financial information for the twelve-month period ended 30 June 2026 is not necessarily indicative of the results that may be expected for any future period and should not be used as the basis for, or prediction of, an annualized calculation.

## RISK FACTORS

*The section entitled “Risk Factors” on pages 1 to 26 of the Offering Memorandum is hereby amended and/or supplemented as follows:*

### **“Risks relating to the Issuer’s industry**

***The Issuer’s revenue and net profits fluctuate significantly with changes in crude oil prices and its cost of operations, which are historically volatile and are affected by a variety of factors beyond the Issuer’s control.***

Crude oil sales are the Issuer’s largest source of revenue, and the price of crude oil and the revenue realised by the Issuer from the sales of crude oil are affected by a variety of factors beyond the Issuer’s control, including:

- global and regional supply and demand, and expectations regarding future supply and demand, for crude oil and petroleum products;
- the impact of economic conditions on the Issuer’s customers, including any reductions in demand for crude oil and petroleum products;
- global and regional socioeconomic and political conditions and military developments, government policies and influence, particularly in countries in the same region as Kazakhstan (including, but not limited to, Russia) and in the Middle East and other oil-producing regions, including the escalation of conflicts affecting the Strait of Hormuz;
- weather conditions, natural disasters and public health threats and global pandemics;
- access to pipelines, especially export pipelines such as the CPC pipeline, railways and other means of transporting crude oil and petroleum products;
- prices and availability of alternative fuels;
- the ability of the members of the OPEC, of which Kazakhstan is not a member, and the so-called extended OPEC (“OPEC+”), over which Kazakhstan has limited influence, and other crude oil producing nations to set and maintain specified levels of production and prices;
- Kazakhstan and foreign governmental regulations and actions, including export restrictions, standards on content of oil and gas, and taxes, including carbon tax initiatives; and
- market uncertainty and speculative activities.

Historically, world crude oil prices have been highly volatile, and are generally characterised by significant fluctuations that are determined by the global balance of supply and demand, which is entirely outside of the Issuer’s control. Further, certain geopolitical activities including regional conflicts and tensions, like those in the Middle East (such as the conflict between the U.S., Israel and Iran) and the Russia-Ukraine conflict, have and are affecting oil prices.

In 2025, Brent crude oil prices experienced notable fluctuations due to a combination of geopolitical tensions, economic factors, and production changes. According to the U.S. Energy Information Administration, the average price of Brent crude oil in 2025 was around U.S.\$68 per barrel, significantly lower than the average price in 2024. Prices ranged between U.S.\$59 and U.S.\$82 per barrel. In early 2025, Brent prices rose due to heightened geopolitical risks, particularly in the Middle East. Conflict between Israel and Hamas, along with attacks on vessels in the Red Sea, caused significant disruptions and pushed prices higher. However, the second half of 2025 saw a downward trend in prices, driven by slowing economic growth, particularly in China, and reduced demand for liquid fuels.

On 28 February 2026, the U.S. and Israel launched coordinated military operations targeting Iranian assets and infrastructure with air and missile strikes. In response, Iran launched missile and drone attacks against multiple Gulf states, disrupting the region’s production of oil and gas, shipping routes and logistics. The length, impact and outcome of the ongoing military conflict in the Middle East is highly unpredictable. As a material portion (approximately 20 per cent.) of global crude oil and LNG supply transits through the Strait of Hormuz, the effective “closure” of the Strait has resulted in increasing volatility in global energy markets, with initial market responses including sharp increases in oil and gas prices. Total transits (in and out) of vessels from the Strait of

Hormuz have fallen from a daily average of 105 transits to a daily average of three transits. Additionally, the UAE's announced departure from OPEC, effective 1 January 2026, may have a material impact on global oil supply dynamics and pricing, as the UAE is one of the world's largest oil producers and its exit could affect OPEC's ability to coordinate production levels.

The U.S. and Iran entered into the Islamabad Memorandum of Understanding ("**Islamabad MoU**") on 17 June 2026, establishing a 60-day negotiation window and providing for, among others, temporary, conditional sanctions relief for Iranian oil sales. However, the Islamabad MoU has not been implemented, and in July 2026, the military exchanges between the U.S. and Iran resumed. As of the date hereof, the Strait of Hormuz remains effectively closed to normal commercial shipping.

Any prolonged continuation, escalation or expansion of hostilities in the region could adversely affect global supply chains, commodity prices and macroeconomic conditions. These recent developments also increase the risk of broader regional escalation in the Middle East.

The duration, severity and ultimate impact of these events remain uncertain, and future developments could exacerbate price volatility beyond the levels currently observed. A sustained and significant increase in oil prices may prompt governments to implement measures to control or reduce prices, including price caps, which could materially and adversely affect the Issuer's business, prospects and results of operations.

Fluctuations in the price at which the Issuer is able to sell crude oil would cause the Issuer's results of operations and cash flow to vary significantly. Historically, high oil prices have had a considerable positive impact on the Issuer's business, while lower crude oil prices have reduced the amount of crude oil that the Issuer is able to produce economically, including, in particular, by negatively affecting the economic viability of the production levels of specific wells or of projects planned or in development where production costs would exceed anticipated income from such production. A decline in the price per barrel for crude oil received by the Issuer or any resulting curtailment in the Issuer's overall production volumes may result in a reduction in revenue and net profits, impair the Issuer's ability to make planned capital expenditures or to incur costs necessary for the development of the Issuer's fields and may materially adversely affect the Issuer's business, prospects, financial condition, cash flows or results of operations. In particular, if the price per barrel falls below certain budgeted amounts for a sustained period, the Issuer may need to revise its capital allocation and may not meet its production plans or continue with certain exploration projects.

In addition, the Issuer's operating results are also significantly affected by fluctuations in the cost of purchased oil, gas, petroleum products and other materials required for its operations. An increase in such costs, without a corresponding increase in the selling price of crude oil, could reduce margins, increase operating expenses, and adversely affect the Issuer's ability to maintain profitability or pursue new projects.

### **Risks relating to the Issuer's business**

***Certain of the Issuer's customers and business associates are subject to U.S., UK and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer.***

The U.S. government imposes economic sanctions and trade embargoes with respect to certain countries in support of its foreign policy and national security goals. These laws and regulations are administered by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") and, in certain instances, by the U.S. State Department. U.S. economic sanctions impose restrictions on U.S. persons and, in certain circumstances, non-U.S. persons with respect to activities or transactions with certain countries, governments, entities or individuals that are the target of the relevant U.S. economic sanctions. Under applicable U.S. economic sanctions, U.S. persons also are prohibited from facilitating such activities or transactions, and non-U.S. persons are prohibited from causing other persons to violate applicable prohibitions. The UK, the EU and various other countries (such as, Australia, Canada, Japan and Switzerland), as well as the United Nations, have also implemented measures aimed at prohibiting or restricting engagements in financial and other dealings with sanctioned countries, entities and individuals.

In 2014, the U.S. and the EU (and other nations, such as Canada, Switzerland, Australia and Japan) imposed sanctions on certain Russian persons and entities, including certain sectoral, transactional and export restrictions, but not a complete ban on doing business at that time, including on Gazprom (a Russian state-owned oil and gas company), Transneft PJSC ("**Transneft**") (a Russian state-owned pipeline company) and PJSC Lukoil ("**Lukoil**") (a publicly-traded Russian energy company). SIBUR Holding PJSC ("**SIBUR**"), a major Russian petrochemicals

producer, has also been subject to U.S., UK and EU sanctions, which restrict SIBUR's access to financing and technology transfers. The Russia sanctions programmes have intensified since the military conflict commenced by Russia against Ukraine in 2022 (see "*Risks relating to the region in which the Issuer operates—The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine*").

In particular, the U.S., EU and UK have each imposed blocking sanctions on numerous major Russian state-owned and private banks and corporates, prohibiting U.S., EU and UK persons from engaging in virtually all transactions with such institutions, as well as entire sectors of the Russian economy. Secondary sanctions regimes have also been introduced, under which persons that facilitate significant transactions or have material dealings with sanctioned Russian entities risk themselves being designated as sanctioned persons. Following the imposition of blocking sanctions, access to funding from certain financial institutions in Russia has been effectively prohibited for U.S., EU and UK persons, and other international financial institutions have been increasingly reluctant to transact with such institutions. As a result, the Issuer's ability to raise funding from Russian state banks has been significantly reduced, and its access to other sources of international financing may in turn be constrained.

In 2025, the U.S. further intensified sanctions targeting Russia's oil production and exports, including Gazprom Neft and Surgutneftegas, and, in October 2025, designated PJSC Rosneft Oil Company ("**Rosneft**") and Lukoil and their respective subsidiaries on the Specially Designated Nationals ("**SDN**") List by OFAC, effectively prohibiting U.S. persons from engaging in substantially all transactions with such entities. Both the EU and the UK also imposed asset freeze sanctions on each of Lukoil and Rosneft in 2025. In February 2026, the UK also extended the asset freeze sanctions to Transneft. Furthermore, on 7 August 2026, the U.S. Senate passed the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026, which, as at the date hereof, remains subject to completion of the U.S. legislative process before becoming law. This new piece of legislation, if enacted in its current version, could further restrict transactions involving Russian energy producers, financial institutions and their counterparties, and increase secondary-sanctions and trade-tariff risks for buyers of Russian energy products and other participants of the Russian energy sector.

The Group has business relationships with each of Transneft, Lukoil, SIBUR, Tatneft, Rosneft and Gazprom (see *–Business – Petrochemical, Transportation of Crude Oil, Exploration Projects*). As a result of the sanctions imposed on Lukoil, the Group suspended operations of the Kalamkas-Sea and Khazar fields in the Kazakh section of the Caspian Sea. The Group has also been considering with Lukoil an early withdrawal from a joint project Al-Farabi by relinquishing the contract area to the government. In November 2025, OFAC issued a license authorising operations necessary for the Caspian Pipeline Consortium (a joint venture with, among others, Transneft, Lukoil and Rosneft, in which the Group owns 20.75%), TCO (a joint venture with, among others, Lukoil, in which the Group owns 20%) and Karachaganak (a joint venture with, among others, Lukoil, in which the Group owns 10%).

Furthermore, in November 2025, OFAC issued comfort letters pursuant to which Pavlodar Refinery and KTO are authorized to conduct transactions related to Rosneft if such transactions are typically necessary for their operations and fulfillment of contractual obligations, provided that there is no involvement of U.S. persons, no use of the U.S. financial system, no benefit to other sanctioned persons and no other violations of the sanctions regime. These comfort letters were set to expire on 29 April 2026 but were extended until 19 March 2027.

For all projects involving Russian entities, the Group runs analysis of sanctions risks. Joint project agreements also include appropriate mechanisms and legal remedies aimed at ensuring compliance with applicable international sanctions restrictions such as sanctions clauses that provide the Group with the right to unilaterally amend conditions, terminate agreements, or exit projects should sanctions-related risks materialise. While the Group takes the necessary measures to comply with international sanctions requirements and minimize potential sanctions risks, its operations may expose the Group to the risk of violating, or being accused of violating, economic and trade sanctions or engaging in conduct that may create a risk of the imposition of secondary sanctions.

***The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers' products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer's ability to deliver its products.***

The Issuer's crude oil for export is transported primarily through international pipelines and, to a lesser extent, by rail and sea routes through other countries. The Issuer currently exports its crude oil to Europe by pipelines through Russian territory to Black Sea and Baltic Sea ports and through Azerbaijan by rail to the Batumi oil terminal in Georgia on the Black Sea. The Issuer also exports crude oil to China through the direct Kazakhstan-China pipeline.

The Issuer is largely dependent upon intergovernmental agreements between Kazakhstan and other countries to transport its oil to markets outside Kazakhstan and upon such governments' adherence to such agreements, both of which are outside of the Issuer's control and cannot be guaranteed.

Crude oil from Tengiz, Kashagan and Karachaganak, the Issuer's megaprojects, as well as EMG and Kazakhoil Aktobe, is transported mainly through the CPC pipeline. In 2025, the CPC pipeline transported approximately 81 per cent. of the country's total crude oil exports. The Kazakhstani portion of the pipeline is operated by Caspian Pipeline Consortium-K JSC ("**CPC-K**") and the Russian portion of the pipeline is operated by Caspian Pipeline Consortium-R ("**CPC-R**").

Both CPC-K and CPC-R have the same shareholders that comprise: the Russian Federation (24 per cent., with Transneft PJSC acting as trustee), Kazakhstan (20.75 per cent., held by the Issuer, including 1.75 per cent. through Kazakhstan Pipeline Ventures LLC ("**KPV**")), Chevron Caspian Pipeline Consortium Company (15 per cent.), LUKOIL International GmbH (12.5 per cent.), Rosneft-Shell Caspian Ventures Ltd. (7.5 per cent.), Mobil Caspian Pipeline Company (7.5 per cent.), IC CPC Company LLC (7 per cent.), BG Overseas Holding Limited (2 per cent.), Eni International (N.A.) N.V. S.ar.l. (2 per cent.) and Oryx Caspian Pipeline LLC (1.75 per cent.). See "*Business—Transportation of Crude Oil— CPC pipeline System.*" Following the start of the Russia-Ukraine military conflict in February 2022, the U.S. has imposed a ban on the import of all Russian crude oil and in June 2022 the EU has imposed a partial ban on importing hydrocarbons from Russia, coming into full effect towards the end of 2022. Crude oil transported through the CPC pipeline, known as the CPC blend, is composed predominantly of Kazakh-origin crude transported to the Black Sea terminal at Yuzhnaya Ozereyevka (Novorossiysk), with certificates of origin issued to verify its Kazakh provenance. Furthermore, in October 2025, U.S. imposed blocking sanctions on Lukoil and Rosneft. If restrictions are placed on the transportation of crude oil from or via Russia, the Group's business will be negatively affected. Although OFAC has issued several exemptions relating to the CPC pipeline (including following the imposition of sanctions on Lukoil and Rosneft), CPC has experienced difficulties in sourcing the necessary replacement parts for the current repairs, and may face similar challenges and overall reluctance of international suppliers to deliver necessary equipment to support any future emergency repair work should the equipment be damaged again. See "*—Risks relating to the region in which the Issuer operates—The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine*".

During 2025, the CPC system experienced individual incidents that temporarily constrained throughput. In February, equipment at the Kropotkinskaya pumping station was damaged in an attack, and in November, an attack on the CPC marine terminal damaged SPM-2. These incidents, combined with adverse weather conditions in the Novorossiysk port area that restricted terminal capacity, caused a temporary decline in oil production in Kazakhstan and affected the export of Issuer's crude oil via the CPC system. To minimise the impact of these disruptions on its export obligations, the Issuer promptly redirected oil through alternative export routes via the KTO system, which helped mitigate production losses at its megaprojects (Tengiz, Kashagan and Karachaganak).

In July 2026, a series of unmanned aerial vehicle ("**UAV**") attacks targeted civilian tankers at or near the CPC marine terminal at Yuzhnaya Ozereyevka near Novorossiysk on the Black Sea. Following the July attacks, CPC temporarily suspended oil loading operations at the CPC marine terminal which resulted in temporary reduction in output at some of the Issuer's projects. On July 27, 2026, crude oil exports through CPC resumed following the temporary suspension of loading operations. Further disruptions on CPC infrastructure, if they occur, could affect the Issuer's ability to utilize the CPC pipeline to export crude oil. Depending on the nature, scale and duration of any such disruptions, they could have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

Although Kazakhstan has been seeking to diversify export routes, including by increasing delivery through the Baku-Tbilisi-Ceyhan pipeline, those alternative routes are less economically attractive than the CPC and have substantially less capacity than CPC and may not fully offset any prolonged disruption that may occur at CPC in the future. Any further material disruption to the CPC system could significantly affect the Issuer's ability to export crude oil, leading to reduced revenues, increased costs, and an adverse impact on its financial results. Since 1 May 2026, oil transit from Kazakhstan to Germany through the Druzhba pipeline, which is operated by Transneft in respect of the Russian section of the pipeline, has been halted. The released volumes of oil will be redirected to CPC and the Russian Baltic Port of Ust-Luga.

Any reduction or cessation in the availability of the Issuer's export routes, whether due to maintenance breakdowns, contamination, legal claims or disputes, security issues, political developments, natural disasters, public health threats and global pandemics or disagreements with the Issuer's partners, among other things, would



materially adversely affect exports, which, in turn, would have a material adverse impact on the Issuer's business, prospects, financial condition, cash flows or results of operations. Significant transportation disruptions could also result in reductions in, or interruptions of, production, which, together with the costs of resuming production and restoring production to pre-reduction or interruption levels, could have a material adverse impact on the Issuer's business, prospects, financial condition, cash flows or results of operations.

### **Risks relating to the region in which the Issuer operates**

#### ***The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine***

On 24 February 2022, Russian forces commenced an armed conflict against Ukraine. The situation in Eastern Europe, and sanctions imposed by governments in response, has led to significant volatility and disruption in the global credit and commodity markets and in the global economy. On 8 March 2022, the U.S. banned the import of Russian oil, liquefied natural gas, and coal. In September 2022 the UK announced a ban on provision of maritime services related to transportation of the Russian oil. In November 2022, the G7 member-countries announced they agreed on a price cap for Russian oil. Since 2022, sanctions regimes have continued to expand, including the introduction of secondary sanctions by the U.S. and EU targeting third-country entities and financial institutions that facilitate Russian oil trade or otherwise assist sanctioned Russian businesses. These measures have increased compliance risks for international counterparties, heightened the risk of restrictions on financial transactions, and created additional uncertainty for companies operating in or near Russia, including Kazakhstan. The conflict has intensified significantly since the second half of 2025, with increased military operations, further territorial escalation and heightened risks to infrastructure in the wider region. Europe's energy dependency, already sharply exposed by the ongoing Russia-Ukraine conflict, has been further compounded as Middle East instability threatens a second major supply axis, contributing to a broader global energy crisis characterised by volatile commodity prices, strained supply chains and elevated geopolitical risk premiums across energy markets. See "*—Risks relating to the Issuer's business—Certain of the Issuer's customers and business associates are subject to U.S., UK and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer.*"

The military conflict between Russia and Ukraine has initially also resulted in a drop of the price of the Urals crude oil and negatively affected the price of CPC blend crude oil (that includes the crude oil of certain projects of the Group: TCO, North Caspian Operating Company N.V. ("NCOC"), KPO and Russian producers using the CPC pipeline in particular). However, more recently global pricing agencies have started publishing separate quotes for Kazakh-origin oil, with such prices showing a stable trend. Although negative consequences of Tenge devaluation are mainly offset by an increase in foreign currency earnings, such devaluation driven by escalating tensions in the region and the external geopolitical situation may have a certain negative impact on the Group, which is required to repay borrowings in foreign currencies (as at 30 June 2026, the Group had borrowings in the amount of KZT 2,623.2 billion denominated in currencies other than Tenge), as well as increases in payments for services and goods expressed in foreign currencies.

Further, the Group is directly exposed to Russia and Russian entities in the following ways:

- *The Group exports oil through the CPC pipeline.* CPC (CPC-R and CPC-K) is a joint venture between Russia, Kazakhstan and other Russian and foreign partners, and it owns, operates and maintains the CPC pipeline that transports oil from Kazakhstan to a terminal near the Russian port of Novorossiysk. In 2025, CPC transported approximately 81 per cent. of the total export volume from Kazakhstan to international markets. See "*Business—Transportation of Crude Oil—CPC pipeline System.*" If restrictions are placed on the transportation of crude oil from or via Russia, the Group's business will be negatively affected. Although the Group has alternative transportation routes such routes will not be sufficient to replace the existing arrangements, to transport its products and its customers' products to markets outside Kazakhstan. Given recent developments, the Issuer and its JV partners and associates are considering routes alternative to the CPC, including a Trans-Caspian Transportation Route, however, there can be no guarantee that such alternative routes will be implemented within a short period of time or that they will be reliable and efficient. See "*—Risks relating to the Issuer's business—The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers' products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer's ability to deliver its products.*"
- *The Group is involved in other projects with Russian entities.* The Issuer is also involved in several joint ventures (including on behalf of the Government) with Russian companies, such as Tatneft, Lukoil, Gazprom,

Rosneft and SIBUR. Some of these companies are subject to blocking or sectoral sanctions and sanctions on some of their senior management and some shareholders are imposed by the U.S., EU and the UK. For all projects involving Russian entities, an analysis of sanctions risks is carried out and the Issuer has the right to withdraw from the projects, should any of the Russian partners become subject to any sanctions. See “— *Risks relating to the Issuer’s business—Certain of the Issuer’s customers and business associates are subject to U.S., UK and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer*”.

- KTO has a contract with Rosneft for transit transportation of up to 10 million tonnes of Russian oil through its Atasu-Alashankou pipeline to China. In April 2026, OFAC extended a license allowing the transit of Russian oil through the Kazakhstan-China Pipeline until 19 March 2027.
- The Group has historically maintained certain relationships with Russian banks: The Group has bank accounts in Asian-Pacific Bank and Moscombank, which as at the date hereof are non-sanctioned banks in Russia. The accounts are used by KTO and KMG Systems & Services LLP for representative offices needs in Russia.

Currently, due to ongoing geopolitical uncertainty around Russia and Ukraine, in particular regarding how long the ongoing conflict will last or the future actions that may be taken by various governments going forward (such as any further expansion of sanctions or enforcement thereof), the Group is unable to fully determine the expected direct and indirect impact of the ongoing conflict on the Group’s business, prospects, financial condition, cash flows or results of operations. In the event that the armed conflict is prolonged, or there is a significant negative impact on oil and gas prices, currency devaluation, direct and indirect impact of sanctions on partners or other factors that prevent the Group from conducting its normal business operations related to the ongoing conflict, there could be a material adverse impact on the Group’s business, prospects, financial condition, cash flows or results of operations.

### **Risks relating to the Notes**

#### ***An active trading market for Notes may not develop.***

Notes issued under the Programme may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Application has been made to the Hong Kong Stock Exchange for the listing of the Programme by way of debt issues to Professional Investors only during the 12-month period after the date of the Offering Memorandum on the Hong Kong Stock Exchange. In addition, unless otherwise agreed with the relevant Dealer(s) and provided for in the Pricing Supplement, the Issuer will cause all Notes issued under the Programme to be admitted to the “main” board of the official list of the AIX, the stock exchange acting on the territory of the Astana International Financial Centre (“AIFC”). There is no assurance that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the liquidity of any market for Notes will depend on the number of holders of Notes, the interest of securities dealers in making a market in Notes and other factors. Accordingly, there can be no assurance as to the development or liquidity of any market for Notes.

In addition, unless exempted from this requirement by applicable laws, acts or regulations in Kazakhstan, simultaneously with any offering of Notes outside of the Republic of Kazakhstan, not less than 30 per cent. of the aggregate principal amount of any series of Notes must be offered, and not less than 20 per cent. must be placed through the AIX and/or KASE on the same terms on which such Notes are being offered outside of the Republic of Kazakhstan.”

## SELECTED FINANCIAL INFORMATION

The section entitled “Selected Financial Information” from pages 33 to 40 of the Offering Memorandum is hereby amended and/or supplemented as follows:

“The financial information set forth below as at 30 June 2026 and for the six-month periods ended 30 June 2026 and 2025, and the financial information as at 31 December 2025 and for the years ended 31 December 2025 has been extracted without material adjustment from the 2026 Interim Financial Statements and 2025 Financial Statements. The financial information as at 31 December 2024 and for the years ended 31 December 2024 has been extracted without material adjustment from the Issuer’s consolidated financial statements as at, and for the year ended, 31 December 2024 (the “**2024 Financial Statements**”) contained in the Offering Memorandum. The financial data set forth below should be read in conjunction with, and is qualified in its entirety by reference to, the 2024 Financial Statements, 2025 Financial Statements and 2026 Interim Financial Statements and related notes included elsewhere in this Offering Memorandum.

Prospective investors should read the selected consolidated financial information in conjunction with the information contained in the “Risk Factors”, “Business”, the 2025 Financial Statements and 2026 Interim Financial Statements, including the notes thereto, and other financial data appearing elsewhere in this Offering Memorandum.

### Consolidated Statement of Financial Position

|                                                      | <b>As at 30 June</b>                                    | <b>As at 31 December</b> |
|------------------------------------------------------|---------------------------------------------------------|--------------------------|
|                                                      | <b>2026</b>                                             | <b>2025</b>              |
|                                                      | <i>(unaudited)</i>                                      | <i>(audited)</i>         |
|                                                      | <i>(in millions of Tenge, except per share amounts)</i> |                          |
| <b>Assets</b>                                        |                                                         |                          |
| <b>Non-current assets</b>                            |                                                         |                          |
| Exploration and evaluation assets.....               | 200,903                                                 | 211,410                  |
| Property, plant and equipment .....                  | 7,253,005                                               | 7,590,629                |
| Investment property .....                            | 6,676                                                   | 7,912                    |
| Intangible assets.....                               | 829,060                                                 | 881,420                  |
| Right-of-use assets .....                            | 118,509                                                 | 117,083                  |
| Investments in joint ventures and associates .....   | 4,687,087                                               | 4,933,962                |
| VAT receivable.....                                  | 27,289                                                  | 38,556                   |
| Advances for non-current assets .....                | 325,457                                                 | 161,074                  |
| Other non-current non-financial assets .....         | 8,898                                                   | 9,383                    |
| Loans and receivables due from related parties ..... | 209,001                                                 | 207,247                  |
| Other non-current financial assets .....             | 58,047                                                  | 93,319                   |
| Long-term bank deposits .....                        | 70,962                                                  | 73,271                   |
| Deferred income tax assets .....                     | 29,550                                                  | 34,539                   |
|                                                      | <b>13,824,444</b>                                       | <b>14,359,805</b>        |
| <b>Current assets</b>                                |                                                         |                          |
| Inventories .....                                    | 463,442                                                 | 374,735                  |
| Trade accounts receivable.....                       | 934,742                                                 | 597,111                  |
| VAT receivable.....                                  | 50,251                                                  | 54,527                   |
| Income tax prepaid.....                              | 27,744                                                  | 62,515                   |
| Other current non-financial assets .....             | 170,223                                                 | 194,392                  |
| Loans and receivables due from related parties.....  | 998,186                                                 | 59,584                   |
| Other current financial assets.....                  | 144,382                                                 | 71,629                   |
| Short-term bank deposits .....                       | 834,541                                                 | 1,875,464                |
| Cash and cash equivalents .....                      | 1,522,178                                               | 1,198,185                |
|                                                      | <b>5,145,689</b>                                        | <b>4,488,142</b>         |
| Assets classified as held for sale.....              | 185                                                     | 498                      |
|                                                      | <b>5,145,874</b>                                        | <b>4,488,640</b>         |
| <b>Total assets.....</b>                             | <b>18,970,318</b>                                       | <b>18,848,445</b>        |
| <b>Equity and liabilities</b>                        |                                                         |                          |
| <b>Equity</b>                                        |                                                         |                          |
| Share capital.....                                   | 916,541                                                 | 916,541                  |
| Additional paid-in capital .....                     | 1,142                                                   | 1,142                    |
| Other equity .....                                   | (42,185)                                                | 6,729                    |
| Currency translation reserve .....                   | 4,474,739                                               | 4,828,788                |
| Retained earnings.....                               | 7,184,205                                               | 6,715,218                |
| <b>Attributable to equity holders of the Parent</b>  |                                                         |                          |
| <b>Company .....</b>                                 | <b>12,534,442</b>                                       | <b>12,468,418</b>        |
| Non-controlling interests .....                      | (71,409)                                                | (82,093)                 |
| <b>Total equity.....</b>                             | <b>12,463,033</b>                                       | <b>12,386,325</b>        |

|                                                   | As at 30 June                                    | As at 31 December |
|---------------------------------------------------|--------------------------------------------------|-------------------|
|                                                   | 2026                                             | 2025              |
|                                                   | (unaudited)                                      | (audited)         |
|                                                   | (in millions of Tenge, except per share amounts) |                   |
| <b>Non-current liabilities</b>                    |                                                  |                   |
| Borrowings.....                                   | 3,000,696                                        | 3,243,524         |
| Lease liabilities .....                           | 106,714                                          | 112,295           |
| Other non-current financial liabilities.....      | 749                                              | 1,081             |
| Provisions.....                                   | 263,316                                          | 279,759           |
| Employee benefit liabilities .....                | 73,131                                           | 71,225            |
| Other non-current non-financial liabilities ..... | 56,742                                           | 67,808            |
| Deferred income tax liabilities.....              | 1,177,894                                        | 1,274,036         |
|                                                   | <b>4,679,242</b>                                 | <b>5,049,728</b>  |
| <b>Current liabilities</b>                        |                                                  |                   |
| Trade accounts payable.....                       | 677,904                                          | 546,873           |
| Borrowings.....                                   | 410,305                                          | 278,423           |
| Lease liabilities .....                           | 17,442                                           | 16,677            |
| Other current financial liabilities .....         | 300,219                                          | 179,684           |
| Provisions.....                                   | 17,009                                           | 17,111            |
| Employee benefit liabilities .....                | 7,357                                            | 7,625             |
| Income tax payable .....                          | 78,741                                           | 22,688            |
| Other taxes payable.....                          | 197,733                                          | 154,833           |
| Other current non-financial liabilities.....      | 121,333                                          | 188,478           |
|                                                   | <b>1,828,043</b>                                 | <b>1,412,392</b>  |
| <b>Total liabilities.....</b>                     | <b>6,507,285</b>                                 | <b>6,462,120</b>  |
| <b>Total equity and liabilities.....</b>          | <b>18,970,318</b>                                | <b>18,848,445</b> |
| <b>Book value per ordinary share</b>              |                                                  |                   |
| (in thousands of Tenge).....                      | <b>19.068</b>                                    | <b>18.857</b>     |

## Consolidated Statement of Comprehensive Income

|                                                                                                                                                               | For the six months ended 30 June                 |             | For the year ended 31 December |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------|--------------------------------|-------------|
|                                                                                                                                                               | 2026                                             | 2025        | 2025                           | 2024        |
|                                                                                                                                                               | (unaudited)                                      |             | (audited)                      |             |
|                                                                                                                                                               | (in millions of Tenge, except per share amounts) |             |                                |             |
| Revenue and other income                                                                                                                                      |                                                  |             |                                |             |
| Revenue from contracts with customers .....                                                                                                                   | 5,567,754                                        | 4,500,494   | 9,371,488                      | 8,330,261   |
| Share in profit of joint ventures and associates, net .....                                                                                                   | 536,781                                          | 348,737     | 780,635                        | 531,230     |
| Gain from disposal of subsidiary .....                                                                                                                        | -                                                | 3,000       | 3,000                          | 16,410      |
| Interest income calculated using the effective interest method .....                                                                                          | 103,792                                          | 93,669      | 197,959                        | 184,392     |
| Other finance income .....                                                                                                                                    | 6,790                                            | 27,162      | 43,005                         | 123,290     |
| Other operating income .....                                                                                                                                  | 28,477                                           | 20,246      | 48,626                         | 52,377      |
| Total revenue and other income .....                                                                                                                          | 6,243,594                                        | 4,993,308   | 10,444,713                     | 9,237,960   |
| Costs and expenses                                                                                                                                            |                                                  |             |                                |             |
| Cost of purchased oil, gas, petroleum products and other materials .....                                                                                      | (3,018,793)                                      | (2,426,770) | (5,039,517)                    | (4,347,011) |
| Production expenses .....                                                                                                                                     | (813,249)                                        | (758,776)   | (1,588,607)                    | (1,398,604) |
| Taxes other than income tax .....                                                                                                                             | (353,878)                                        | (281,931)   | (592,928)                      | (592,984)   |
| Depreciation, depletion and amortization .....                                                                                                                | (378,242)                                        | (353,002)   | (723,977)                      | (642,666)   |
| Transportation and selling expenses .....                                                                                                                     | (167,335)                                        | (145,683)   | (319,088)                      | (267,824)   |
| General and administrative expenses .....                                                                                                                     | (95,911)                                         | (94,252)    | (218,624)                      | (254,148)   |
| Recovery of impairment/(impairment) of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses ..... | 275                                              | (19,463)    | (35,762)                       | (69,733)    |
| Finance costs .....                                                                                                                                           | (144,704)                                        | (164,013)   | (368,055)                      | (346,096)   |
| Foreign exchange (loss)/gain, net .....                                                                                                                       | (79,169)                                         | (22,728)    | (84,012)                       | 185,459     |
| (Expected credit losses)/Recovery of expected credit losses .....                                                                                             | (12,029)                                         | (3,976)     | 6,744                          | (8,316)     |
| Other expenses .....                                                                                                                                          | (21,661)                                         | (15,837)    | (49,130)                       | (38,703)    |
| Total costs and expenses .....                                                                                                                                | (5,084,696)                                      | (4,286,431) | (9,012,956)                    | (7,780,626) |
| Profit before income tax .....                                                                                                                                | 1,158,898                                        | 706,877     | 1,431,757                      | 1,457,334   |
| Income tax expenses .....                                                                                                                                     | (255,125)                                        | (172,500)   | (359,703)                      | (363,087)   |
| Net profit for the period .....                                                                                                                               | 903,773                                          | 534,377     | 1,072,054                      | 1,094,247   |

|                                                                                                                  | For the six months ended 30 June                 |           | For the year ended 31 December |           |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------|--------------------------------|-----------|
|                                                                                                                  | 2026                                             | 2025      | 2025                           | 2024      |
|                                                                                                                  | (unaudited)                                      |           | (audited)                      |           |
|                                                                                                                  | (in millions of Tenge, except per share amounts) |           |                                |           |
| Net profit/(loss) for the period attributable to:                                                                |                                                  |           |                                |           |
| Equity holders of the Parent Company                                                                             | 887,574                                          | 535,997   | 1,040,435                      | 1,094,438 |
| Non-controlling interest                                                                                         | 16,199                                           | (1,620)   | 31,619                         | (191)     |
| Other comprehensive income/(loss)                                                                                |                                                  |           |                                |           |
| Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods                     |                                                  |           |                                |           |
| Hedging effect                                                                                                   | (48,914)                                         | (2,900)   | 9,102                          | (1,463)   |
| Exchange differences on translation of foreign operations                                                        | (494,302)                                        | (128,776) | (419,809)                      | 1,492,858 |
| Net gain/(loss) on hedge of a net investment                                                                     | 111,712                                          | 25,671    | 92,338                         | (358,847) |
| Tax effect                                                                                                       | 28,257                                           | 7,836     | 23,255                         | (90,712)  |
| Net other comprehensive income/(loss) to be reclassified to profit or loss in the subsequent periods, net of tax | (403,247)                                        | (98,169)  | (295,114)                      | 1,041,836 |
| Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods                 |                                                  |           |                                |           |
| Actuarial gain on defined benefit plans of the Group                                                             | -                                                | -         | 7,078                          | 870       |
| Actuarial (loss)/gain on defined benefit plans of the Group, net of tax <sup>(1)</sup>                           | (240)                                            | 780       | -                              | -         |
| Actuarial (loss)/gain on defined benefit plans of joint ventures                                                 | -                                                | -         | (1,363)                        | 114       |
| Tax effect                                                                                                       | -                                                | -         | (109)                          | 1         |
| Actuarial gain on defined benefit plans of joint ventures, net of tax <sup>(1)</sup>                             | 266                                              | 698       | -                              | -         |
| Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax    | 26                                               | 1,478     | 5,606                          | 985       |
| Net other comprehensive income/(loss) for the period, net of tax                                                 | (403,221)                                        | (96,691)  | (289,508)                      | 1,042,821 |
| Total comprehensive income for the period, net of tax                                                            | 500,552                                          | 437,686   | 782,546                        | 2,137,068 |
| Total comprehensive income/(loss) for the period attributable to:                                                |                                                  |           |                                |           |
| Equity holders of the Parent Company                                                                             | 484,637                                          | 439,284   | 751,216                        | 2,136,253 |
| Non-controlling interests                                                                                        | 15,915                                           | (1,598)   | 31,330                         | 815       |
| Earnings per share (thousands of Tenge):                                                                         |                                                  |           |                                |           |
| Basic and diluted                                                                                                | 1.46                                             | 0.88      | 1.705                          | 1.794     |

**Notes:**

- (1) Actuarial (loss)/gain on defined benefit plans of the Group and of the joint ventures and the related tax effect have been presented on a combined basis in the 2026 Interim Financial Statements i.e. net of tax. Consequently, the financial data for the six months ended 30 June 2026 and 30 June 2025 presented in this Offering Memorandum reflect this combined presentation. The financial information for the years ended 31 December 2025 and 2024 has not been revised.

**Consolidated Statement of Cash Flows**

|                                                                                                                                                                        | For the six months ended 30 June |         | For the year ended 31 December |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------|--------------------------------|-----------|
|                                                                                                                                                                        | 2026                             | 2025    | 2025                           | 2024      |
|                                                                                                                                                                        | <i>(unaudited)</i>               |         | <i>(audited)</i>               |           |
|                                                                                                                                                                        | <i>(in millions of Tenge)</i>    |         |                                |           |
| <b>Cash flows from operating activities</b>                                                                                                                            |                                  |         |                                |           |
| Profit before income tax .....                                                                                                                                         | 1,158,898                        | 706,877 | 1,431,757                      | 1,457,334 |
| <b>Adjustments:</b>                                                                                                                                                    |                                  |         |                                |           |
| Depreciation, depletion and amortization.....                                                                                                                          | 378,242                          | 353,002 | 723,977                        | 642,666   |
| (Recovery of impairment)/impairment of<br>property, plant and equipment, intangible<br>assets, non-current advances for fixed assets<br>and exploration expenses ..... | (275)                            | 19,463  | 35,762                         | 69,733    |

|                                                                                                                                     | For the six months ended 30 June |                        | For the year ended 31 December |                  |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------|--------------------------------|------------------|
|                                                                                                                                     | 2026                             | 2025                   | 2025                           | 2024             |
|                                                                                                                                     | (unaudited)                      | (in millions of Tenge) | (audited)                      |                  |
| Gain from disposal of subsidiary.....                                                                                               | -                                | (3,000)                | (3,000)                        | (16,410)         |
| Realized loss / (gain) from derivatives on<br>petroleum products.....                                                               | 61,046                           | 3,244                  | 19,060                         | (19,502)         |
| Interest income calculated using the effective<br>interest method.....                                                              | (103,792)                        | (93,669)               | (197,959)                      | (184,392)        |
| Other finance income.....                                                                                                           | (6,790)                          | (27,162)               | (43,005)                       | (123,290)        |
| Finance costs.....                                                                                                                  | 144,704                          | 164,013                | 368,055                        | 346,096          |
| Loss on disposal of joint venture.....                                                                                              | -                                | -                      | -                              | 1,928            |
| Share in profit of joint ventures and associates,<br>net.....                                                                       | (536,781)                        | (348,737)              | (780,635)                      | (531,230)        |
| Movements in provisions.....                                                                                                        | -                                | 5,458                  | -                              | (15,912)         |
| Net foreign exchange loss /(gain).....                                                                                              | 79,169                           | 22,728                 | 84,012                         | (184,029)        |
| Write off / (reversal of) inventories to net<br>realizable value.....                                                               | 2,957                            | (5,349)                | (3,781)                        | 942              |
| Loss on disposal of property, plant and<br>equipment, intangible assets, investment<br>property and assets held for sale, net ..... | 7,918                            | 722                    | 8,712                          | 5,241            |
| Impairment of VAT receivable.....                                                                                                   | -                                | -                      | 3,458                          | 7,063            |
| Change in financial guarantees.....                                                                                                 | -                                | -                      | 6,063                          | 1,765            |
| VAT non-recoverable .....                                                                                                           | -                                | -                      | 4,920                          | 1,237            |
| Expected credit losses/(recovery of expected<br>credit losses).....                                                                 | 12,029                           | 3,976                  | (6,744)                        | 8,316            |
| Other adjustments .....                                                                                                             | 7,960                            | 8,805                  | -                              | -                |
| <b>Operating profit before working capital<br/>changes .....</b>                                                                    | <b>1,205,285</b>                 | <b>810,371</b>         | <b>1,650,652</b>               | <b>1,467,556</b> |
| Change in VAT receivable .....                                                                                                      | 14,446                           | 362                    | (23,442)                       | 6,180            |
| Change in inventory.....                                                                                                            | (125,919)                        | 56,620                 | (4,248)                        | 36,690           |
| Change in trade accounts receivable and other<br>current assets .....                                                               | (462,147)                        | (298,666)              | (295,237)                      | 199,936          |
| Change in trade payables and other payables and<br>contract liabilities .....                                                       | 155,387                          | (18,399)               | (95,008)                       | (142,667)        |
| Change in other taxes payable .....                                                                                                 | 46,054                           | 84,707                 | 73,370                         | (134,049)        |
| <b>Cash generated from operating activities.....</b>                                                                                | <b>833,106</b>                   | <b>634,995</b>         | <b>1,306,087</b>               | <b>1,433,646</b> |
| Dividends received from joint ventures and<br>associates.....                                                                       | 500,085                          | 474,356                | 985,262                        | 701,104          |
| Income taxes paid .....                                                                                                             | (125,281)                        | (119,771)              | (281,955)                      | (182,227)        |
| Interest received.....                                                                                                              | 89,130                           | 90,344                 | 164,829                        | 138,511          |
| Interest paid .....                                                                                                                 | (109,919)                        | (135,939)              | (273,799)                      | (247,182)        |
| <b>Net cash flow from operating activities .....</b>                                                                                | <b>1,187,121</b>                 | <b>943,985</b>         | <b>1,900,424</b>               | <b>1,843,852</b> |
| <b>Cash flows from investing activities .....</b>                                                                                   |                                  |                        |                                |                  |
| Placement of bank deposits .....                                                                                                    | (807,449)                        | (1,256,141)            | (3,209,635)                    | (2,068,061)      |
| Withdrawal of bank deposits .....                                                                                                   | 1,757,689                        | 1,528,055              | 2,797,053                      | 1,734,453        |
| Deferred consideration paid for the acquisition of<br>subsidiary .....                                                              | -                                | -                      | -                              | (1,520)          |
| Purchase of property, plant and equipment,<br>intangible assets and exploration and<br>evaluation assets .....                      | (422,308)                        | (262,229)              | (667,578)                      | (644,752)        |
| Proceeds from sale of property, plant and<br>equipment, exploration and evaluation assets<br>and assets held for sale .....         | 208                              | 4,266                  | 4,770                          | 1,939            |
| Proceeds from disposal of subsidiary, net of cash<br>disposed.....                                                                  | -                                | 1,163                  | 1,163                          | 8,010            |
| Proceeds from disposal of share in joint<br>venture .....                                                                           | -                                | -                      | -                              | 12,995           |
| Additional contributions to joint ventures<br>without changes in ownership.....                                                     | (34,682)                         | (30,967)               | (43,099)                       | (74,209)         |
| Loans given to related parties .....                                                                                                | (328)                            | (20,898)               | (74,262)                       | (67,980)         |
| Repayment of loans due from related parties .....                                                                                   | 865                              | 610                    | 1,524                          | 45,023           |
| Acquisition of debt securities .....                                                                                                | -                                | -                      | (4,030)                        | (8,041)          |
| Proceeds from sale of debt securities .....                                                                                         | -                                | -                      | 2,923                          | 13,736           |
| Guaranteed and other payments receivable from<br>a joint venture participant .....                                                  | -                                | -                      | -                              | 9,905            |
| Proceeds from sale of notes of the National Bank<br>of RK .....                                                                     | 231,475                          | 269,686                | 447,884                        | 308,147          |
| Acquisition of notes of the National Bank<br>of RK.....                                                                             | (217,778)                        | (255,895)              | (446,814)                      | (302,600)        |
| Proceeds from bonds redemption of Samruk-<br>Kazyna.....                                                                            | -                                | 10,000                 | 20,000                         | -                |

|                                                                     | For the six months ended 30 June |                        | For the year ended 31 December |                    |
|---------------------------------------------------------------------|----------------------------------|------------------------|--------------------------------|--------------------|
|                                                                     | 2026                             | 2025                   | 2025                           | 2024               |
|                                                                     | (unaudited)                      | (in millions of Tenge) | (audited)                      |                    |
| Acquisition of bonds of Samruk-Kazyna .....                         | (951,550)                        | (10,000)               | (10,000)                       | (10,000)           |
| Other .....                                                         | 1,547                            | (2,998)                | 4,329                          | -                  |
| <b>Net cash flows used in investing activities .....</b>            | <b>(442,311)</b>                 | <b>(25,348)</b>        | <b>(1,175,772)</b>             | <b>(1,042,955)</b> |
| <b>Cash flows from financing activities</b>                         |                                  |                        |                                |                    |
| Proceeds from borrowings .....                                      | 102,292                          | 211,817                | 299,841                        | 214,894            |
| Repayment of borrowings .....                                       | (76,856)                         | (251,990)              | (638,232)                      | (647,409)          |
| Dividends paid to shareholders .....                                | (350,001)                        | (300,002)              | (300,002)                      | (300,002)          |
| Dividends paid to non-controlling interests .....                   | (4,540)                          | (3,311)                | (3,572)                        | (2,759)            |
| Distribution of net assets of KazMunayGas                           |                                  |                        |                                |                    |
| Exploration Production JSC to non-controlling interest .....        | -                                | -                      | -                              | (5,901)            |
| Distributions to Samruk-Kazyna .....                                | (376)                            | (3)                    | (1,642)                        | (2,059)            |
| Repayment of principal portion of lease liabilities .....           | (13,820)                         | (15,103)               | (29,520)                       | (26,118)           |
| Proceeds from the repo agreements .....                             | -                                | 30,739                 | 30,739                         | 22,074             |
| Repayment of the repo agreements .....                              | -                                | -                      | (32,624)                       | (22,074)           |
| Other operations with Samruk-Kazyna .....                           | -                                | (4,292)                | (4,292)                        | (6,652)            |
| Other .....                                                         | 26                               | (48)                   | (1,969)                        | (4,554)            |
| <b>Net cash flows used in financing activities .....</b>            | <b>(343,275)</b>                 | <b>(332,193)</b>       | <b>(681,273)</b>               | <b>(780,560)</b>   |
| Effects of exchange rate changes on cash and cash equivalents ..... | (77,517)                         | (2,273)                | (61,633)                       | 145,268            |
| Change in allowance for expected credit losses ..                   | (25)                             | 5                      | (12)                           | (27)               |
| <b>Net change in cash and cash equivalents .....</b>                | <b>323,993</b>                   | <b>584,176</b>         | <b>(18,266)</b>                | <b>165,578</b>     |
| Cash and cash equivalents, at the beginning of the period .....     | 1,198,185                        | 1,216,451              | 1,216,451                      | 1,050,873          |
| <b>Cash and cash equivalents, at the end of the period .....</b>    | <b>1,522,178</b>                 | <b>1,800,627</b>       | <b>1,198,185</b>               | <b>1,216,451</b>   |

## Alternative Performance Measures

The following table sets forth key alternative performance measures used by the Issuer's management in assessing the Issuer's performance, which reflect the Issuer's operations:

|                                                              | As at and for the six<br>(twelve for Interim LTM<br>EBITDA and Interim<br>LTM Adjusted EBITDA)<br>months ended 30 June |         | As at and for the year ended 31 December |         |
|--------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------|---------|
|                                                              | 2026                                                                                                                   | 2025    | 2024                                     |         |
|                                                              | (Tenge billions, except ratios) (unaudited)                                                                            |         |                                          |         |
| EBITDA <sup>(1)</sup> .....                                  | 1,655.4                                                                                                                | 2,393.4 |                                          | 2,000.9 |
| Adjusted EBITDA <sup>(2)</sup> .....                         | 1,618.7                                                                                                                | 2,598.0 |                                          | 2,170.8 |
| Interim LTM EBITDA <sup>(3)</sup> .....                      | 2,906.9                                                                                                                | -       |                                          | -       |
| Interim LTM Adjusted EBITDA <sup>(4)</sup> .....             | 2,949.2                                                                                                                | -       |                                          | -       |
| Debt (including current portion) <sup>(5)</sup> .....        | 3,411.0                                                                                                                | 3,521.9 |                                          | 3,967.4 |
| Cash and deposits (including long-term) <sup>(6)</sup> ..... | 2,427.7                                                                                                                | 3,146.9 |                                          | 2,804.6 |
| Net Debt <sup>(7)</sup> .....                                | 983.3                                                                                                                  | 375.0   |                                          | 1,162.8 |
| Free Cash Flow <sup>(8)</sup> .....                          | 764.8                                                                                                                  | 1,232.8 |                                          | 1,199.1 |
| Net Debt/ EBITDA <sup>(9)</sup> .....                        | 0.34x                                                                                                                  | 0.16x   |                                          | 0.58x   |
| Net Debt/ Adjusted EBITDA <sup>(10)</sup> .....              | 0.33x                                                                                                                  | 0.14x   |                                          | 0.54x   |

### Notes:

- (1) Calculated as revenue from contracts with customers *plus* share in profit of JVs and associates, net, *minus* cost of purchased oil, gas, petroleum products and other materials, production expenses, general and administrative expenses, transportation and selling expenses, taxes other than income tax.
- (2) Calculated as EBITDA minus share in profit of JVs and associates, net, plus dividends received from joint ventures and associates (as defined in the consolidated statement of cash flows).
- (3) Calculated as EBITDA for the year ended 31 December 2025 minus EBITDA for the six months ended 30 June 2025 plus EBITDA for the six months ended 30 June 2026.
- (4) Calculated as Adjusted EBITDA for the year ended 31 December 2025 minus Adjusted EBITDA for the six months ended 30 June 2025 plus Adjusted EBITDA for the six months ended 30 June 2026.
- (5) Calculated as the current portion of borrowings plus the non-current portion of borrowings.
- (6) Calculated as the sum of cash and cash equivalents, short-term bank deposits and long-term bank deposits.
- (7) Calculated as Debt (including current portion) minus Cash and deposits (including long-term).

- (8) Calculated as net cash flow from operating activities minus Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets.
- (9) Calculated as the ratio of Net Debt divided by EBITDA. For the interim period, Interim LTM EBITDA (per above) was applied.
- (10) Calculated as the ratio of Net Debt divided by Adjusted EBITDA. For the interim period, Interim LTM Adjusted EBITDA (per above) was applied.

The following table sets forth a reconciliation of EBITDA, Adjusted EBITDA and Interim LTM EBITDA, Interim LTM Adjusted EBITDA to revenue from contracts with customers for the periods indicated:

|                                                                             | For the six (twelve for<br>Interim LTM EBITDA<br>and Interim LTM<br>Adjusted EBITDA)<br>months ended 30 June | For the year ended 31 December      |                |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------|
|                                                                             | 2026                                                                                                         | 2025                                | 2024           |
|                                                                             |                                                                                                              | <i>(Tenge billions) (unaudited)</i> |                |
| Revenue from contracts with customers .....                                 | 5,567.8                                                                                                      | 9,371.5                             | 8,330.3        |
| Cost of purchased oil, gas, petroleum products<br>and other materials ..... | (3,018.8)                                                                                                    | (5,039.5)                           | (4,347.0)      |
| Production expenses .....                                                   | (813.2)                                                                                                      | (1,588.6)                           | (1,398.6)      |
| Taxes other than income tax .....                                           | (353.9)                                                                                                      | (592.9)                             | (593.0)        |
| Transportation and selling expenses .....                                   | (167.3)                                                                                                      | (319.1)                             | (267.8)        |
| General and administrative expenses .....                                   | (95.9)                                                                                                       | (218.6)                             | (254.1)        |
| Share in profit of joint ventures and<br>associates, net .....              | 536.8                                                                                                        | 780.6                               | 531.2          |
| <b>EBITDA .....</b>                                                         | <b>1,655.4</b>                                                                                               | <b>2,393.4</b>                      | <b>2,000.9</b> |
| Share in profit of joint ventures and<br>associates, net .....              | (536.8)                                                                                                      | (780.6)                             | (531.2)        |
| Dividends received from joint ventures and<br>associates .....              | 500.1                                                                                                        | 985.3                               | 701.1          |
| <b>Adjusted EBITDA .....</b>                                                | <b>1,618.7</b>                                                                                               | <b>2,598.0</b>                      | <b>2,170.8</b> |
| <b>Interim LTM EBITDA .....</b>                                             | <b>2,906.9</b>                                                                                               | -                                   | -              |
| <b>Interim LTM Adjusted EBITDA .....</b>                                    | <b>2,949.2</b>                                                                                               | -                                   | -              |

The following table sets forth a reconciliation of Debt (including current portion); Cash and deposits (including long-term); and Net Debt.

|                                                      | As at 30 June  | As at 31 December                   |                |
|------------------------------------------------------|----------------|-------------------------------------|----------------|
|                                                      | 2026           | 2025                                | 2024           |
|                                                      |                | <i>(Tenge billions) (unaudited)</i> |                |
| Borrowings (non-current) .....                       | 3,000.7        | 3,243.5                             | 3,644.1        |
| Borrowings (current) .....                           | 410.3          | 278.4                               | 323.3          |
| <b>Debt (including current portion) .....</b>        | <b>3,411.0</b> | <b>3,521.9</b>                      | <b>3,967.4</b> |
| Cash and cash equivalents .....                      | 1,522.2        | 1,198.2                             | 1,216.5        |
| Short-term bank deposits .....                       | 834.5          | 1,875.5                             | 1,513.8        |
| Long-term bank deposits .....                        | 71.0           | 73.3                                | 74.3           |
| <b>Cash and deposits (including long-term) .....</b> | <b>2,427.7</b> | <b>3,146.9</b>                      | <b>2,804.6</b> |
| <b>Net Debt .....</b>                                | <b>983.3</b>   | <b>375.0</b>                        | <b>1,162.8</b> |

The following table sets forth a reconciliation of Free Cash Flow to net cash flow from operating activities for the periods indicated:

|                                                                                                                | For the six months ended 30 June |                                     | For the year ended 31 December |                |
|----------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------|--------------------------------|----------------|
|                                                                                                                | 2026                             | 2025                                | 2025                           | 2024           |
|                                                                                                                |                                  | <i>(Tenge billions) (unaudited)</i> |                                |                |
| Net cash flow from operating<br>activities .....                                                               | 1,187.1                          | 944.0                               | 1,900.4                        | 1,843.9        |
| Purchase of property, plant and<br>equipment, intangible assets and<br>exploration and evaluation assets ..... | (422.3)                          | (262.2)                             | (667.6)                        | (644.8)        |
| <b>Free Cash Flow .....</b>                                                                                    | <b>764.8</b>                     | <b>681.8</b>                        | <b>1,232.8</b>                 | <b>1,199.1</b> |



## BUSINESS

*The section entitled “Business” on pages 41 to 81 of the Offering Memorandum is hereby amended and/or supplemented as follows:*

### “Overview

The Group’s net profit decreased to KZT 1,072.1 billion for the year ended 31 December 2025 from KZT 1,094.2 billion for the year ended 31 December 2024. For the first half of 2026, the Group’s net profit amounted to KZT 903.8 billion, as compared to KZT 534.4 billion for the first half of 2025.

For the years ended 31 December 2025 and 2024, the 2P reserves of the Group were 724 million tonnes of oil equivalent (“**mtoe**”) and 5,626 million barrels of oil equivalent (“**mboe**”) and 716 mtoe and 5,551 mboe, respectively.

The main markets for the Issuer’s products for the year ended 31 December 2025 were as follows:

| Product                                   | Market                                                                 |
|-------------------------------------------|------------------------------------------------------------------------|
| Oil .....                                 | Mainly Europe (67 per cent.), Kazakhstan (33 per cent.)                |
| Oil products at the Corporate Center..... | Kazakhstan (91 per cent.), Other – Europe, China, Russia (9 per cent.) |

As at 30 June 2026, the Group had total assets of KZT 18,970.3 billion as compared to total assets of KZT 18,848.4 billion as at 31 December 2025.

The Group’s EBITDA for the year ended 31 December 2025 was equal to KZT 2,393.4 billion split mainly between (i) KZT 1,596.5 billion (66.7 per cent.) generated by the exploration and production of oil and gas segment (“**upstream**”), (ii) KZT 346.5 billion (14.5 per cent.) generated by the oil transportation segment (“**midstream**”), (iii) KZT 480.6 billion (20.1 per cent.) generated by the refining and trading of crude oil and refined products (“**downstream**”) and (iv) a negative EBITDA of KZT 30.3 billion (-1.3 per cent.) generated by corporate and other business activities of the Group, including eliminations and adjustments.

The Group’s EBITDA for the six months ended 30 June 2026 amounted to KZT 1,655.4 billion, and the Group’s Interim LTM EBITDA for the twelve months ended 30 June 2026 amounted to KZT 2,906.9 billion.

### *Upstream*

For the year ended 31 December 2025, the Issuer’s production was 544 kbopd (26.2 million tonnes) of crude oil and condensate and 11.4 billion cubic metres of gas (including the proportionate share of the Issuer in joint ventures and associates), representing an increase of 10.0 per cent. in oil and condensate and 19.8 per cent. in gas compared to 2024. Based on the Issuer’s internal information and information obtained from Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC, the Issuer’s production of crude oil and condensate (including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates) represented 26 per cent. of the total crude oil and condensate production in Kazakhstan in 2025 whilst the Issuer’s production of gas (including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates) represented 17 per cent. of the total gas production in Kazakhstan in 2025.

For the six months ended 30 June 2026, the Issuer’s production of oil and gas condensate decreased by 4.6 per cent. to 12,437 thousand tonnes (522 thousand barrels per day), compared with 13,043 thousand tonnes (549 thousand barrels per day) for the six months ended 30 June 2025. Gas production (before re-injection volumes) decreased by 4.7 per cent. from 5,726 million cubic metres for the six months ended 30 June 2025 to 5,457 million cubic metres for the six months ended 30 June 2026. The main reason for the decline in production volume was lower output at megaprojects, in particular at the Tengiz field following restrictions on oil intake by the CPC, as well as a transformer fire at the Future Growth Project facilities in January 2026, and at the Karachaganak field due to unstable oil intake into the CPC system.

According to Kazakhstan methodology, as of 31 December 2025, the Issuer’s A+B+C1 reserves of oil and condensate were 748 mtoe. According to the PRMS standards, 2P reserves were approximately 724 mtoe. The difference between these estimates primarily arises from the differing methodologies: while the Kazakhstan methodology focuses mainly on geological and technical recovery potential, the PRMS standards apply strict economic viability criteria to classify reserves. Reserves are assessed on an annual basis as of the end of the reporting year.

The annual assessment of reserves under the PRMS shows that the planned and actual measures to maintain the Issuer's reserve levels are monitored on a continuous basis. The proved reserves (1P) life is 13 years. The reserves life in the 2P category (proved + probable) is 22 years. The 2P reserve replacement ratio is 100 per cent.

### ***Midstream***

As at 31 December 2025, the total length of the oil pipeline networks that the Issuer operates was 8,923 km.

The total oil transportation in 2025 amounted to 83,330 thousand tonnes, broadly in line with 2024 (83,478 thousand tonnes in 2024). In the six months ended 30 June 2026, the total oil transportation comprised 43,280 thousand tonnes compared to 41,616 thousand tonnes for the same period in 2025.

In 2025, trunkline oil transportation increased by 3.3 per cent. from 2024 to 72,629 thousand tonnes. This growth is attributed to higher volumes of Tengiz crude transported through the CPC system following the implementation of the Future Growth Project at the Tengiz field, as well as increased oil supplies to the domestic market for delivery to oil refineries. In the six months ended 30 June 2026, oil transportation through trunk pipelines increased by 0.8 per cent. from the six months ended 30 June 2025 to 36,333 thousand tonnes. The growth was driven by higher transportation volumes along the Atyrau-Samara (KazTransOil) and Atasu-Alashankou (Kazakhstan-China Pipeline) routes, partially offset by lower transportation volumes through the CPC system following the temporary disruption to Single Point Moorings (SPMs) operations in January 2026.

Oil transportation turnover net to the Issuer grew by 6.3 per cent. to 66,049 million tonnes-km in 2025, from 62,111 million tonnes-km in 2024 reflecting higher export volumes via the CPC system and increased domestic transportation of oil to refineries, as compared to 62,111 million tonnes-km in 2024. In the six months ended 30 June 2026, oil transportation turnover net to the Issuer decreased by 3.6 per cent. to 31,485 million tonnes-km, from 32,668 million tonnes-km in the six months ended 30 June 2025 primarily due to lower oil transportation volumes through the CPC system.

Oil transportation by sea decreased by 18.7 per cent. to 10,701 thousand tonnes in 2025 from 13,169 thousand tonnes in 2024. The decline was primarily due to the reduced transportation volumes in open seas following changes to the CPC's Aframax cargo allocation from March 2025. In the six months ended 30 June 2026, the total oil transportation by sea increased by 24.4 per cent. to 6,947 thousand tonnes from 5,584 thousand tonnes in the six months ended 30 June 2025. The increase was driven by the expansion of the tanker fleet operating on the Black Sea and Mediterranean routes, as well as the deployment of additional higher-capacity Suezmax tankers and the resumption of operations by the Taraz and Liwa tankers after modernization.

### ***Downstream***

In 2025, the total hydrocarbon refining volume reached a historical high of 21.0 million tonnes. Refining depth at Kazakh refineries reached 90.1 per cent., while light product yield amounted to 77.7 per cent., both representing record levels. In the six months ended 30 June 2026, the total hydrocarbon refining volume comprised 10,215 thousand tonnes.

In 2025, the Issuer continued to focus on targeted upgrades and debottlenecking initiatives across its refining assets, with a view to further improving operational efficiency, increasing the yield of light petroleum products, expanding production of high-demand products and supporting the long-term reliability of domestic fuel supply.

At Atyrau Refinery, a comprehensive efficiency improvement programme for 2023–2027 is underway. The programme is aimed at upgrading key process units and increasing the yield of light petroleum products. In 2025, Caspi Bitum completed a large-scale upgrade, increasing its processing capacity to 1.5 million tonnes per year and road bitumen production capacity to 750 thousand tonnes per year.

In the year ended 31 December 2025, in Kazakhstan, the Issuer produced a total of 13,528 thousand tonnes of refined oil products, as compared to 13,085 thousand tonnes in 2024 (each as net to the Issuer, including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates). In the six months ended 30 June 2026, the Issuer produced a total of 6,898 thousand tonnes of refined oil products in Kazakhstan, as compared to 6,785 thousand tonnes for the six months ended 30 June 2025 (each as net to the Issuer, including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates). In Romania, the Issuer produced 6,180 thousand tonnes in 2025 compared to 4,809 thousand tonnes in 2024, and 2,700 thousand tonnes in the six months ended 30 June 2026 compared to 2,900 thousand tonnes in the same period in 2025.

As of 31 December 2025, KMG International owned and operated 1,468 distribution points, including 1,217 points of sale in Romania (including 489 gas stations), 100 in Georgia, 55 in Bulgaria and 96 in Moldova.

## Business Model

The Group's production of crude oil led to the export of 66.7 per cent. of its own crude oil in the year ended 31 December 2025, while 8,740 thousand tonnes, comprising 33.3 per cent. of the Group's crude oil sales in the year ended 31 December 2025 was domestic oil supply sent to the Group's refineries. In the six months ended 30 June 2026, the export of crude oil comprised 65.3 per cent. while the remaining 34.7 per cent. was attributable to the sales to domestic refineries.

## Principal investments

### *Most recent and current principal investments*

As at 31 December 2025, the Issuer's investment portfolio totaled KZT 62,499 billion, including KZT 22,354 billion attributable to the Issuer and the remainder representing the Issuer's partners' participating interests.

The Issuer's investment portfolio includes a number of projects in conventional areas such as exploration, transportation and refining of oil, and in new realms, i.e. petrochemicals and sustainability.

| Project type                                 | Total investment<br>portfolio as<br>at 31 December 2025 | Share of investment<br>portfolio<br>attributable to KMG<br>as<br>at 31 December 2025 |
|----------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                              | <i>In KZT billions</i>                                  |                                                                                      |
| Oil and gas exploration and production.....  | 52,300                                                  | 16,451                                                                               |
| ESG projects .....                           | 728                                                     | 200                                                                                  |
| Oil transportation.....                      | 411                                                     | 154                                                                                  |
| Refining and marketing of oil products ..... | 573                                                     | 364                                                                                  |
| Petrochemicals.....                          | 8,353                                                   | 5,051                                                                                |
| Other .....                                  | 134                                                     | 134                                                                                  |
| <b>Total .....</b>                           | <b>62,499</b>                                           | <b>22,354</b>                                                                        |

In 2025, final investment decisions were made on projects totaling KZT 544 billion (including KZT 531 billion attributable to the Issuer), including:

- Construction of the first integrated gas chemical complex, Phase 2 (construction of trunklines – ethane, propane);
- Programme for transitioning to a three-year continuous run between turnarounds at Pavlodar Refinery;
- Transition to a three-year continuous run between turnarounds at Atyrau Refinery;
- Efficiency improvement at Atyrau Refinery; and
- Transition to a longer interval between repairs at Shymkent Refinery.

### *Upstream*

In 2025, the Issuer continued its further exploration programme at producing fields, with a focus on increasing recoverable reserves through the identification of new reservoirs within existing contract areas, appraisal drilling, reinterpretation of seismic data and updates to geological models. In 2025, six appraisal wells were drilled under the further exploration programme, including four wells at Mangistaumunaigaz and one well each at Embamunaigas and Ozenmunaigas.

In 2025, KMG signed four exploration and production contracts. The Berezovsky block in the northern marginal zone of the Caspian basin (West Kazakhstan Region), is being developed with Sinopec. CNOOC is the partner for the Zhylyoi block in the southern marginal zone of the Caspian basin (Atyrau Region and a section of Kazakhstan's part of the Caspian Sea). The Northern Ozen block in the South Mangyshlak sedimentary basin (Mangistau Region) is being advanced independently (by KMG Barlau), as is the Bolashak block at the junction of the Ustyurt-Bozashi and Caspian basins (Mangistau Region and a section of Kazakhstan's part of the Caspian Sea).

In April 2026, the Issuer, the Ministry of Energy of Kazakhstan and GEOENERGIJA RAZVOJ d.o.o. signed a subsoil use contract for the Shygys block (Aktobe region), with a 50/50 structure and exploration fully funded by the Croatian partner.

The Karaton Subsalt Project is aimed at studying a large carbonate platform within the subsalt deposits of the Caspian sedimentary basin. In 2025, drilling of the first deep prospecting well was completed to a final depth of 5,750 metres. Testing of the first target interval resulted in a free-flowing gas inflow, confirming the presence of hydrocarbons in deep-lying horizons and providing a basis for further appraisal and potential development of subsalt complexes. The project is being implemented jointly with Tatneft, the Issuer's strategic partner, on a parity basis of 50/50 under a carry-financing arrangement provided by the partner.

The Issuer continues to support production growth through the implementation of major development and expansion projects at Kazakhstan's key producing assets, including Tengiz, Kashagan and Karachaganak.

In January 2025, Tengizchevroil commenced oil production under the Future Growth Project (FGP) at the Tengiz oil field. This achievement follows the 2024 completion of the Wellhead Pressure Management Project (WPMP), aimed at optimizing field operations and processing facilities. This resulted in an increase in oil production capacity of approximately 12 million tonnes per year.

Under the Karachaganak Expansion Projects, testing of the fifth injection compressor was successfully completed, with the commissioning certificate signed in March 2025. The sixth injection compressor project is currently in the active construction phase, with progress at 97 per cent., ahead of schedule, as of 1 January 2026. The launch of the 6th compressor project is expected in the fourth quarter of 2026. Commissioning of the gas reinjection compressors will allow maintaining the production plateau at the level of approximately 210–240 thousand barrels of oil per day, or 10-11 million tonnes per year.

#### *Midstream*

In 2023, Kazmortransflot, in partnership with AD Ports Group, acquired and commissioned two oil tankers with a deadweight of 8,000 tonnes each.

KMTF, together with AD Ports Group and Caspian Integrated Maritime Solutions Ltd., a joint venture of KMTF (a subsidiary of KMG) and IMI Ltd. (a subsidiary of AD Ports Group), are building two 780 TEU container vessels for operation in the Caspian Sea. Following a tender conducted by AD Ports Group, Baku Shipyard was selected as the contractor, with estimated delivery of the vessels expected in 2027.

#### *Downstream*

The Issuer, in partnership with CNPC, conducts a project to expand the production capacity of the Shymkent Refinery to 12 million tonnes per year. Following the completion of revisions to the pre-feasibility study in 2025, development of the feasibility study commenced in 2026.

At the Atyrau Refinery, a large-scale modernisation project is in progress, aimed at improving overall performance through increased output of light oil products and the upgrade of key processing units. The project is scheduled for implementation between 2023 and 2027.

In 2025, the Group initiated commercial operations at its new high-efficiency CHP plant located at the Petromidia refinery after signing the final acceptance certificate. The project has transitioned from pilot testing to full operation following the receipt of a generation license from ANRE.

#### *Petrochemicals*

In 2025, polypropylene production net to the Issuer grew by over 50 per cent. year-on-year to 186.6 thousand tonnes. In the six months ended 30 June 2026, polypropylene production net to the Issuer decreased by 4.3 per cent. year-on-year to 102.3 thousand tonnes.

The Issuer, through its subsidiary KMG PetroChem, is progressing a project to construct an urea production plant with a design capacity of up to 880 thousand tonnes per annum (ktpa) of urea and 80 ktpa of methanol. The project is expected to be implemented approximately during the period from 2026 to 2030.

The Issuer, through Silleno LLP, a joint venture between the Issuer (40 per cent.), SIBUR (30 per cent.) and Sinopec (30 per cent.), is constructing a polyethylene production plant with a design capacity of 1.25 million

tonnes per year. The estimated capital expenditure for the project is approximately U.S.\$7.4 billion, with a project execution period of 2024–2029. Construction and installation works are ongoing, including pyrolysis, polymerisation and utilities units. In June 2025, the Issuer issued a guarantee equivalent to U.S.\$800 million in CNY as security for the obligations of the Silleno JV under a bridge financing facility in a total amount of U.S.\$2 billion for the polyethylene production project.

In addition, the Issuer, through KMG PetroChem, is implementing a project to construct a gas separation complex at the Tengiz field with a capacity of 9.1 billion cubic metres of dry gas per year, with estimated capital expenditure of approximately U.S.\$2.1 billion and a project execution period of 2025–2029. Furthermore, EPC contracts have been signed for the construction of two trunk pipelines (ethane and propane), each approximately 210 km in length, with estimated capital expenditure of approximately U.S.\$470 million and a project execution period of 2025–2028.

#### *State-Initiated Infrastructure projects*

In 2025, the Issuer completed construction of the Kenderli seawater desalination plant in the Mangistau Region. The project, implemented by Ak Su KMG, a subsidiary of Ozenmunaigas, is one of the Issuer's largest social infrastructure initiatives in the region. The plant has a design capacity of up to 50 thousand cubic metres of drinking water per day and is intended to improve the reliability of water supply to Zhanaozen and nearby settlements, reduce pressure on the Astrakhan–Mangyshlak main water pipeline and support the region's socio-economic development. The project cost was KZT 121.2 billion and was financed from Ozenmunaigas' own funds received through mineral extraction tax allowances. In December 2025, KMG transferred the facility to the Mangistau Region akimat free of charge.

In addition, to meet the growing domestic demand for gas processing products in the Mangystau region, Kazakh Gas Processing Plant (“**KazGPP**”), a wholly owned subsidiary of the Issuer, is implementing a project to construct a gas processing plant in Zhanaozen with a raw gas processing capacity of up to 900 million cubic metres per year. The project is expected to be implemented in 2023–2027. The GPP is expected to produce marketable dry gas, liquefied petroleum gas (LPG), pentane-hexane fraction, and commercial-grade sulphur.

#### *ESG projects*

Aktas Energy, a joint venture between KMG Green Energy LLP (100% subsidiary of the Issuer), Qazaq Green Power PLC (100% subsidiary of Samruk-Energy JSC) and TotalEnergies Renewables SAS with ownership interests of 20 per cent., 20 per cent. and 60 per cent., respectively, is implementing a project to construct a 1 GW wind power plant with a 300 MW / 600 MWh battery energy storage system in Mirny, Zhambyl Region. The project is one of Kazakhstan's largest renewable energy projects and envisages the installation of approximately 150 wind turbines with a capacity of 6.5–7.7 MW each. In March 2026, a groundbreaking ceremony was held at the site of the wind power plant. Completion of construction of the Mirny project is scheduled for the end of 2028. In March 2026, the Issuer and its partners entered into a Common Terms Agreement with an international lending consortium. Total investment in the project is estimated at approximately U.S.\$1.2 billion.

The Issuer, in partnership with Eni S.p.A., is implementing a 247 MW Hybrid Power Plant Project in the Mangistau Region, with Eni holding 51 per cent. and the Issuer holding 49 per cent. The project combines solar, wind and gas generation. In 2025, the 50 MW solar power plant in Zhanaozen was commissioned as the first stage of the project. In July 2026, first industrial electricity was generated at the 120 MW gas-fired power plant during testing. Completion of commissioning works and comprehensive testing of the power plant is scheduled by the end of August 2026. Construction of the 77 MW wind power plant is ongoing, with commissioning targeted for 2027.

#### *Current status*

For the year ended 31 December 2025, cash capital expenditures amounted to KZT 667.6 billion, as compared to KZT 644.8 billion in 2024. For the six months ended 30 June 2026, cash capital expenditures amounted to KZT 422.3 billion, as compared to KZT 262.2 billion for the six months ended 30 June 2025. The Issuer continues to invest across its integrated value chain, including upstream growth projects, refinery upgrades to meet growing domestic demand for refinery products and strengthen supply to the local market, maritime transportation capacity, petrochemicals, social infrastructure and low-carbon energy projects.

## ***Future Investments***

According to approved investment decisions, KMG plans to allocate approximately KZT 2,692 billion in development capital expenditures over 2026–2027, including the following areas:

- Exploration and production of oil and gas – KZT 61 billion;
- Investments at megaprojects – KZT 53 billion;
- Petrochemicals – KZT 1,901 billion;
- Oil and gas refining – KZT 553 billion, including new gas processing plant\* KZT 531 billion; and
- Other projects – KZT 124 billion.

*\* projects implemented under the instruction of the Head of State*

The Issuer intends to fund these capital expenditures through a combination of its own funds and borrowed funds.

## **Reserves**

As of 31 December 2025, the Issuer had:

- *Total Proved net reserves* of 2,706,356 thousand barrels (351,254 thousand tonnes) of oil and condensate and 4,349,268 million cubic feet (123,158 million cubic metres) of sales gas.
- *Probable net reserves* of 1,851,282 thousand barrels (240,856 thousand tonnes) of oil and condensate and 919,498 million cubic feet (26,033 million cubic metres) of sales gas.
- *Possible net reserves* of 613,882 thousand barrels (82,340 thousand tonnes) of oil and condensate and 139,702 million cubic feet (3,951 million cubic metres) of sales gas.

As of 31 December 2025, the Issuer had 2,376,171 thousand barrels of 3C net oil and condensate contingent resources.

The Issuer engages an external independent qualified consultant to prepare the reserves report using the PRMS methodology on an annual basis at the end of each year.

Out of the Issuer's proved-plus-probable net reserves of 4,557,638 thousand barrels of oil and condensate and 5,268,766 million cubic feet of sales gas, 3,069,943 thousand barrels of oil and condensate and 3,498,158 million cubic feet of sales gas are attributable to the Issuer's megaprojects, Tengiz, Kashagan and Karachaganak, each of which has been developed in partnership with leading international oil and gas companies.

## **Exploration and Production**

### ***Overview***

The Issuer is a major oil and gas producer in Kazakhstan. In the year ended 31 December 2025, the Issuer produced 544 thousand barrels of oil per day (26,211 thousand tonnes), which represented 26 per cent. of the total crude oil and condensate production in Kazakhstan in 2025 based on information obtained from the Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC. In the six months ended 30 June 2026, the Issuer produced 522 thousand barrels per day (12,437 thousand tonnes).

The Issuer's major oil and condensate producing subsidiaries and interests are TCO, NCOC and KPO, representing 29.77 per cent., 11.54 per cent. and 4.16 per cent. of the Issuer's total production of crude oil and condensate in the year ended 31 December 2025, respectively. In the six months ended 30 June 2026, TCO, NCOC and KPO accounted for 26.70 per cent., 12.22 per cent. and 4.01 per cent., respectively, of the Issuer's total production of crude oil and condensate.

In addition, in the year ended 31 December 2025, the Issuer produced 11.4 billion cubic metres of gas (including the proportionate interest of joint ventures and associates), which represented 17 per cent. of the total gas production in Kazakhstan in 2025 based on information obtained from Situational Analytical Center of the Fuel

and Energy Complex of the Republic of Kazakhstan JSC. In the six months ended 30 June 2026, the Issuer produced 5.5 billion cubic metres (including the proportionate interest of joint ventures and associates).

The Issuer's major gas producing subsidiaries and interests are TCO and KPO, representing 39.43 per cent. (or 4.51 billion cubic metres) and 22.05 per cent. (or 2.52 billion cubic metres) of the Issuer's production of gas in 2025, respectively. In the six months ended 30 June 2026, TCO, and KPO accounted for 37.67 per cent. and 21.29 per cent., respectively, of the Issuer's production of gas.

As of 30 June 2026, the Issuer was involved in 15 main exploration projects.

### ***Production and Development Assets***

The following table sets forth the production attributable to the Issuer from its consolidated subsidiaries and non-consolidated joint ventures and associates for the periods indicated:

| Company and Field         | per cent. Ownership Interest | For the year ended 31 December |                   |                        |                      |                      |                   |                        |                      |
|---------------------------|------------------------------|--------------------------------|-------------------|------------------------|----------------------|----------------------|-------------------|------------------------|----------------------|
|                           |                              | 2025                           |                   |                        |                      | 2024                 |                   |                        |                      |
|                           |                              | Oil & Gas Condensate           |                   | Associated Gas         |                      | Oil & Gas Condensate |                   | Associated Gas         |                      |
|                           |                              | (thousand tonnes)              | (million barrels) | (million cubic metres) | (billion cubic feet) | (thousand tonnes)    | (million barrels) | (million cubic metres) | (billion cubic feet) |
| TCO .....                 | 20.00                        | 7,802                          | 62.3              | 4,514                  | 159.4                | 5,562                | 44.4              | 3,011                  | 106.3                |
| NCOC <sup>(1)</sup> ..... | 16.88                        | 3,025                          | 24.0              | 1,982                  | 70.0                 | 2,885                | 22.9              | 1,863                  | 65.8                 |
| KPO <sup>(2)</sup> .....  | 10.00                        | 1,091                          | 8.6               | 2,525                  | 89.2                 | 1,097                | 8.6               | 2,394                  | 84.6                 |
| MMG .....                 | 50.00                        | 3,083                          | 22.3              | 435                    | 15.4                 | 3,085                | 22.3              | 443                    | 15.6                 |
| EMG .....                 | 100.00                       | 2,850                          | 20.7              | 242                    | 8.6                  | 2,790                | 20.3              | 205                    | 7.2                  |
| OMG .....                 | 100.00                       | 5,079                          | 36.7              | 610                    | 21.5                 | 5,098                | 39.9              | 613                    | 21.6                 |
| Kazgermunai .....         | 50.00                        | 453                            | 3.3               | 137                    | 4.8                  | 521                  | 3.9               | 137                    | 4.8                  |
| KBM .....                 | 50.00                        | 1053                           | 7.0               | 40                     | 1.4                  | 1,077                | 7.2               | 41                     | 1.4                  |
| PKI .....                 | 33.00                        | 408                            | 3.2               | 97                     | 3.4                  | 472                  | 3.7               | 109                    | 3.8                  |
| Kazakhoil Aktobe .....    | 50.00                        | 241                            | 1.8               | 398                    | 14.0                 | 238                  | 1.8               | 403                    | 14.2                 |
| Other .....               | —                            | 1,126                          | 8.6               | 469                    | 16.6                 | 1,013                | 7.7               | 334                    | 11.8                 |
| Total .....               | —                            | 26,211                         | 198.5             | 11,450                 | 404.4                | 23,837               | 179.5             | 9,554                  | 337.4                |

(1) 8.44 per cent. was acquired by Issuer from Samruk-Kazyna in September 2022, in addition to other 8.44 per cent. already held by the Issuer prior to the acquisition.

(2) Recognising that KPO is a consortium operating under a joint operating agreement, the Issuer also accounts for its interests in KPO under the proportionate consolidation method.

For the six months ended 30 June 2026 and 2025, the oil and gas condensate production of TCO was 3,321 thousand tonnes and 3,892 thousand tonnes, NCOC was 1,520 thousand tonnes and 1,517 thousand tonnes, KPO was 499 thousand tonnes and 573 thousand tonnes, MMG was 1,506 thousand tonnes and 1,521 thousand tonnes, EMG was 1,476 thousand tonnes and 1,376 thousand tonnes, and OMG was 2,499 thousand tonnes and 2,528 thousand tonnes. The other fields of the Group contributed 1,616 thousand tonnes and 1,636 thousand tonnes for the six months ended 30 June 2026 and 2025.

The following table sets forth certain information relating to the production and development activities of the Issuer and its subsidiaries, joint ventures and associates at their respective significant fields as at 31 December 2025:

| Company and Field                   | per cent. Ownership Interest | Ownership type | Year Commenced | Expiration of Agreement | Production wells | Injection wells |
|-------------------------------------|------------------------------|----------------|----------------|-------------------------|------------------|-----------------|
| TCO: .....                          | 20.00                        | JV             | —              | —                       | —                | —               |
| Tengiz and Korolevskoye Field ..... | —                            | —              | 1993           | 2033                    | 236              | 25              |
| NCOC <sup>(1)</sup> : .....         | 16.88 <sup>(2)</sup>         | JV             | —              | —                       | —                | —               |
| Kashagan Field .....                | —                            | —              | 2001           | 2041                    | 27               | 6               |
| KPO <sup>(2)</sup> .....            | 10.00                        | JV             | —              | —                       | —                | —               |
| Karachaganak Field .....            | —                            | —              | 1984           | 2037                    | 174              | 25              |
| MMG Fields: .....                   | 50.00                        | JV             | 1967-1992      | 2028                    | 3646             | 1100            |
| EMG Fields: .....                   | 100.00                       | Subsidiary     | 1931-2020      | 2034-2051               | 2066             | 305             |
| Uzen Field .....                    | 100.00                       | Subsidiary     | 1965           | 2036                    | 3940             | 1298            |
| Kazgermunai Fields: .....           | 50.00                        | JV             | 1994           | 2034                    | 216              | 63              |
| KBM Fields: .....                   | 50.00                        | JV             | —              | —                       | —                | —               |
| Karazhanbas Field .....             | —                            | —              | 1997           | 2035                    | 3012             | 959             |

|                                        |          |           |           |           |               |              |
|----------------------------------------|----------|-----------|-----------|-----------|---------------|--------------|
| <i>PKI Fields:</i> .....               | 33.00    | Associate | —         | —         | —             | —            |
|                                        |          |           | between   |           |               |              |
| PKKR .....                             | —        | —         | 1990-2018 | 2024-2043 | 282           | 125          |
| <i>Kazakh oil Aktobe Fields:</i> ..... | 50.00    | JV        | 1999      | 2027      | 114           | 37           |
|                                        |          |           | between   |           |               |              |
| Other Fields.....                      | —        | n.a.      | 1994-2008 | 2035-2047 | 193           | 70           |
| <b>Total</b> .....                     | <b>—</b> | <b>—</b>  | <b>—</b>  | <b>—</b>  | <b>13,906</b> | <b>4,013</b> |

(1) The Issuer's interests are held through its consolidated subsidiary KMG Kashagan B.V., which in turn holds a 16.88 per cent. share in the Kashagan Field project.

(2) The Issuer's interests are held through its consolidated subsidiary KMG Karachaganak LLP, which in turn holds a 10 per cent. share in the Karachaganak Field project.

The following table sets forth certain information relating to new wells drilled by the Issuer and its subsidiaries, joint ventures and associates at their respective significant fields as at the dates and for the periods indicated:

|                        | New wells drilled              |             |                                |             |
|------------------------|--------------------------------|-------------|--------------------------------|-------------|
|                        | Production Wells               | Other Wells | Production wells               | Other wells |
|                        | For the year ended 31 December |             | For the year ended 31 December |             |
|                        | 2025                           | 2025        | 2024                           | 2024        |
| TCO.....               | 1                              | 42          | 234                            | 27          |
| NCOC.....              | 0                              | 0           | 0                              | 0           |
| KPO.....               | 1                              | 0           | 5                              | 1           |
| MMG.....               | 129                            | 15          | 121                            | 19          |
| EMG.....               | 25                             | 0           | 25                             | 0           |
| OMG.....               | 163                            | 48          | 202                            | 33          |
| Kazgermunai .....      | 10                             | 0           | 9                              | 2           |
| KBM.....               | 87                             | 13          | 73                             | 2           |
| PKKR Fields .....      | 27                             | 0           | 7                              | 0           |
| Kazakh oil Aktobe..... | 5                              | 0           | 0                              | 0           |
| Other Fields .....     | 3                              | 0           | 4                              | 0           |
| <b>Total</b> .....     | <b>526</b>                     | <b>69</b>   | <b>680</b>                     | <b>84</b>   |

(1) The Issuer's interests are held through its consolidated subsidiary KMG Karachaganak LLP, which in turn holds a 10 per cent. share in the Karachaganak Field project.

(2) Injection wells.

(3) Total production wells (operating and non-operating).

## Megaprojects

### Tengiz and Korolevskoye Fields

As of 31 December 2025, the Tengiz and Korolevskoye fields had estimated proved-plus-probable net reserves, as derived from the PRMS methodology, of oil and condensate of 118,838 thousand tonnes and proved-plus-probable net reserves of sales gas of 44,700 million cubic metres attributable to the Issuer, representing 20 per cent. and 30 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Tengiz Field's wellstock consisted of 236 operating wells and 25 injection wells as at 31 December 2025. The Tengiz Field produced 7.802 million tonnes of crude oil attributable to the Issuer in 2025 and 5.562 million tonnes of crude oil in 2024, representing 29.77 per cent. and 23.33 per cent., respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the Tengiz Field produced 3,321 thousand tonnes of crude oil attributable to the Issuer (147 thousand barrels per day). The Tengiz Field produced 4,514 million cubic metres of associated gas attributable to the Issuer in 2025, 3,011 million cubic metres in 2024, representing 39.43 per cent. and 31.52 per cent., respectively, of the Issuer's production of gas for such years. In the six months ended 30 June 2026, the Tengiz Field produced 2,056 million cubic metres of associated gas attributable to the Issuer.

Since the oil from the Tengiz Field has a high sulphur content, it also sells sulphur to the markets. TCO sold 2.456 million tonnes of sulphur in 2025 and 2.468 million tonnes of sulphur in 2024. In the first six months ended 30 June 2026, sales volumes reached 1.157 million tonnes, compared to 1.190 million tonnes in the same period in 2025.



## ***Expansion Projects***

In January 2025, the first oil was produced at the Third Generation Plant (3GP). TCO has now reached its design capacity, with current daily production 3GP at approximately 33,000 tonnes. Total daily oil output by TCO is around 120,000 tonnes. In June 2025, the commissioning certificate for the FGP/WPMP facilities was signed. By the end of 2025, the project costs amounted to U.S.\$ 47.9 billion.

### **Kashagan Field**

As at 31 December 2025, the Kashagan Field had proved-plus-probable net reserves of oil and condensate of 249,569 thousand tonnes and proved-plus-probable net reserves of sales gas of 11,677 million cubic metres attributable to the Issuer, representing 42 per cent. and 8 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Kashagan Field produced 3,025 thousand tonnes of oil condensate attributable to the Issuer share in 2025, as compared to 2,885 thousand tonnes of oil condensate in 2024, representing 11.54 per cent. and 12.10 per cent., respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the Kashagan Field produced 1,520 thousand tonnes of crude oil attributable to the Issuer (67 thousand barrels per day).

The Kashagan Field produced 1,982 million cubic metres of gas attributable to the Issuer in 2025, 1,863 million cubic metres in 2024, representing 17.31 per cent. and 19.50 per cent., respectively, of the Issuer's gas production for those years. In the six months ended 30 June 2026, the Kashagan Field produced 930 million cubic metres of associated gas attributable to the Issuer.

## ***Development Projects***

QazaqGaz is constructing a gas processing plant with a design capacity of 1 billion cubic metres per year, with construction progress currently at 54.8 per cent. NCOC has completed construction of the associated pipeline, which is currently under long-term preservation. QazaqGaz is expected to complete construction of the gas processing plant by the end of 2026.

The Company is considering Phase 2 development projects aimed at increasing crude oil and condensate production to approximately 710 thousand barrels per day, or approximately 89.5 thousand tonnes per day. Phase 2 development projects consist of Phase 2A and Phase 2B.

In connection with the Phase 2A project, Kashagan partners have signed a FEED agreement, while the final investment decision is currently expected by the end of 2026. Phase 2A is expected to increase oil production by approximately 6.3 thousand tonnes per day, bringing total production at Kashagan to approximately 63 thousand tonnes per day, or 500 thousand barrels per day. Completion of Phase 2A is targeted for 2029-2030.

Phase 2B involves increasing oil production at Kashagan by 26.5 thousand tonnes per day (210 thousand bbl per day) to 89.5 thousand tonnes per day (710 thousand bbl per day), with an additional raw gas production of 6 billion m<sup>3</sup> per year. Completion of Phase 2B is targeted for 2033. Conceptual studies of potential synergies with Tengiz are underway.

### **Karachaganak Field**

As at 31 December 2025, the Karachaganak Field had estimated proved-plus-probable net reserves of oil and condensate of 19,836 thousand tonnes and proved-plus-probable net reserves of sales gas of 42,680 million cubic metres attributable to the Issuer, representing 3 per cent. and 29 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Karachaganak Field produced 1,091 thousand tonnes of crude oil attributable to the Issuer in 2025 and 1,097 thousand tonnes in 2024, representing 4.16 per cent. and 4.6 per cent., respectively, of the Issuer's crude oil production for those years. In the six months ended 30 June 2026, the Karachaganak Field produced 499 thousand tonnes of crude oil attributable to the Issuer. The Karachaganak Field produced 2,525 million cubic metres of gas attributable to the Issuer in 2025 and 2,394 million cubic metres in 2024, representing 22.05 per cent. and 25.06 per cent., respectively, of the Issuer's gas production for those years. In the six months ended 30 June 2026, the Karachaganak Field produced 1,162 million cubic metres of associated gas attributable to the Issuer.

## **Operating Assets**

### *OMG Fields*

As of 31 December 2025, the OMG fields had estimated proved-plus-probable net reserves of oil and condensate of 87,198 thousand tonnes attributable to the Issuer, representing 15 per cent. of the Issuer's net reserves of oil and condensate, respectively.

The OMG fields produced 5,079 thousand tonnes of crude oil in 2025, compared to 5,098 thousand tonnes in 2024 attributable to the Issuer, representing 19.38 per cent. and 21.38 per cent., respectively, of the Issuer's crude oil production for those years. In 2025, producing wells at the OMG fields delivered an average production rate of 101 tonnes of crude oil per day. In the six months ended 30 June 2026, OMG fields produced 2,499 thousand tonnes of crude oil.

Gas production at the OMG fields amounted to 610 million cubic metres in 2025 compared to 613 million cubic metres in 2024 attributable to the Issuer, representing 5.33 per cent. and 6.41 per cent., respectively, of the Issuer's gas production for those years. In the six months ended 30 June 2026, the OMG fields gas production comprised 312 million cubic metres of gas.

The OMG fields' wellstock consisted of 3,940 production wells and 1,298 injection wells as at 31 December 2025, including 211 new wells drilled in 2025.

### *EMG Fields*

As of 31 December 2025, the EMG fields had estimated proved-plus-probable net reserves of oil and condensate of 33,146 thousand tonnes, and proved-plus-probable net reserves of sales gas of 13,070 million cubic metres attributable to the Issuer.

The EMG fields produced 2,850 thousand tonnes of crude oil in 2025, compared to 2,790 thousand tonnes in 2024 attributable to the Issuer, respectively, representing 10.87 per cent. and 11.70 per cent. of the Issuer's crude oil production for those years. In 2025, producing wells at EMG fields delivered an average production rate of 57 tonnes of crude oil per day. In the six months ended 30 June 2026, the EMG fields produced 1,476 thousand tonnes of crude oil.

In 2025, the EMG fields produced 242 million cubic metres of gas, compared to 205 million cubic metres in 2024 attributable to the Issuer, representing 2.12 per cent. and 2.15 per cent., respectively, of the Issuer's gas production. In the six months ended 30 June 2026, the EMG fields produced 179 million cubic metres of gas.

### *KTM Fields*

As of 31 December 2025, KTM's estimated proved and probable net oil and condensate reserves amounted to 4,725 thousand tonnes attributable to the Issuer, representing 0.8 per cent. of the Issuer's net oil and condensate reserves.

The KTM fields produced 453 thousand tonnes of crude oil in 2025, compared to 440 thousand tonnes in 2024 attributable to the Issuer, representing 1.73 per cent. and 1.84 per cent. of the Issuer's crude oil production for those years. In the six months ended 30 June 2026, the KTM fields produced 237 thousand tonnes of crude oil.

In 2025, the KTM fields produced 124 million cubic metres of gas, compared to 102 million cubic metres in 2024 attributable to the Issuer, representing 1.09 per cent. and 1.07 per cent., respectively, of the Issuer's gas production. In the six months ended 30 June 2026, the KTM fields produced 71 million cubic metres of gas.

### *Urikhtau Operating Fields*

As of 31 December 2025, the proved and probable net oil and condensate reserves of the Urikhtau field amounted to 5,886 thousand tonnes, while proved and probable net marketable gas reserves amounted to 15,366 million cubic metres attributable to the Issuer, representing 1 per cent. and 10 per cent., respectively, of the Issuer's net oil and condensate and marketable gas reserves.

UO produced 95 thousand tonnes and 84 thousand tonnes of crude oil in 2025 and 2024 attributable to the Issuer, respectively, representing 0.4 per cent. of the Issuer's crude oil production for each year. In 2025, producing wells at the UO field delivered an average production rate of 2,000 tonnes of crude oil per day. In the six months ended 30 June 2026, the UO fields produced 50 thousand tonnes of crude oil.

In 2025, the UO fields produced 79 million cubic metres of gas, compared to 55 million cubic metres in 2024 attributable to the Issuer, representing 0.69 per cent. and 0.57 per cent., respectively, of the Issuer's gas production. In the six months ended 30 June 2026, the UO fields produced 36 million cubic metres of gas.

#### *MMG Fields*

As of 31 December 2025, MMG had estimated proved-plus-probable net reserves of oil and condensate of 37,656 thousand tonnes, and proved-plus-probable net reserves of sales gas of 2,290 million cubic metres attributable to the Issuer, representing 6 per cent., and 2 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The MMG fields produced 3,083 thousand tonnes and 3,085 thousand tonnes of crude oil in 2025 and 2024 attributable to the Issuer, respectively, representing 11.76 per cent. and 12.94 per cent. of the Issuer's crude oil production for those years. In the six months ended 30 June 2026, MMG produced 1,506 thousand tonnes of crude oil.

In 2025, the MMG fields produced 435 million cubic metres of gas attributable to the Issuer, which is comparable to the previous year. In the six months ended 30 June 2026, the MMG fields produced 225 million cubic metres of gas.

#### *Kazgermunai Fields*

As of 31 December 2025, the Kazgermunai fields had estimated proved-plus-probable net reserves of oil and condensate of 4,694 thousand tonnes, and proved-plus-probable net reserves of sales gas of 869 million cubic metres attributable to the Issuer, representing 0.8 per cent., and 0.6 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Kazgermunai fields produced 453 thousand and 521 thousand tonnes of crude oil in each of 2025 and 2024, representing 1.73 per cent. and 2.19 per cent., respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the Kazgermunai fields produced 206 thousand tonnes of crude oil.

The Kazgermunai fields produced 137 million cubic metres of gas in each of 2025 and 2024, which was attributable to the Issuer, representing 1.20 per cent. and 1.43 per cent., respectively, of the Issuer's production of gas for those years. In the six months ended 30 June 2026, the Kazgermunai fields produced 61 million cubic metres of gas.

The Kazgermunai fields' wellstock consisted of 216 production wells and 63 injection wells as at 31 December 2025, including 3 new wells drilled in the year ended 31 December 2025.

#### *KBM Fields*

As of 31 December 2025, KBM had estimated proved-plus-probable net reserves of oil and condensate of 10,783 thousand tonnes attributable to the Issuer, representing 1.8 per cent. of the Issuer's net reserves of oil and condensate.

The Karazhanbas Field produced 1,053 thousand tonnes and 1,077 thousand tonnes of crude oil in 2025 and 2024, representing 4.02 per cent. and 4.52 per cent. of the Issuer's production of crude oil for each year. In the six months ended 30 June 2026, the Karazhanbas Field produced 509 thousand tonnes of crude oil.

The Karazhanbas Field produced 40 million cubic metres of associated gas attributable to the Issuer in 2025, 41 million cubic metres of associated gas in 2024, representing 0.4 per cent. of the Issuer's total gas production in each year.

The Karazhanbas Field's wellstock consisted of 3,012 production wells and 959 injection wells as at 31 December 2025, including 84 new wells drilled in the year ended 31 December 2025.

#### *PKKR Fields*

As of 31 December 2025, PKKR's fields had estimated proved-plus-probable net reserves of oil and condensate of 465 thousand tonnes, attributable to the Issuer through PKI, representing 0.1 per cent. of the Issuer's reserves of oil and condensate.

The PKKR fields produced 408 thousand tonnes of crude oil in 2025 and 472 thousand tonnes in 2024, including production attributable to the Issuer through PKI, representing 1.56 per cent. and 1.98 per cent., respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the PKKR fields produced 193 thousand tonnes of crude oil.

The PKKR fields produced 97 million cubic metres of gas in 2025 and 109 million cubic metres of gas in 2024, which were attributable to the Issuer through PKI, representing 0.85 per cent. and 1.14 per cent., respectively, of the Issuer's production of gas for those years. In the six months ended 30 June 2026, the PKKR fields produced 51 million cubic metres of gas.

The PKKR fields' wellstock (including those of affiliated companies) consisted of 282 production wells and 125 injection wells as at 31 December 2025, including 2 new wells drilled in the year ended 31 December 2025.

#### *Kazakhoil Aktobe Fields*

As of 31 December 2025, the Kazakhoil Aktobe fields had estimated proved-plus-probable net reserves of crude oil of 6,985 thousand tonnes and proved-plus-probable net reserves of sales gas of 1,952 million cubic metres attributable to the Issuer, representing 1.2 per cent. and 1.3 per cent. of the Issuer's net reserves of crude oil and sales gas, respectively.

The Kazakhoil Aktobe fields produced 241 thousand tonnes of crude oil in 2025 and 238 thousand tonnes in 2024 attributable to the Issuer, representing 0.92 per cent. and 1.00 per cent. respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the Kazakhoil Aktobe fields produced 123 thousand tonnes of crude oil.

The Kazakhoil Aktobe fields produced 398 million cubic metres of gas attributable to the Issuer in 2025 and 403 million cubic metres of gas in 2024, representing 3.47 per cent. and 4.22 per cent., respectively, of the Issuer's production of gas for those years. In the six months ended 30 June 2026, the Kazakhoil Aktobe fields produced 205 million cubic metres of gas.

#### *Dunga Operating GmbH*

As of 31 December 2025, the Dunga fields had estimated proved-plus-probable net reserves of crude oil of 7,803 thousand tonnes and proved-plus-probable net reserves of sales gas of 1,065 million cubic metres attributable to the Issuer, representing 1.3 per cent. and 0.7 per cent. of the Issuer's net reserves of crude oil and sales gas, respectively.

The Dunga fields produced 406 thousand tonnes of crude oil in 2025 and 378 thousand tonnes in 2024, attributable to the Issuer, representing 1.55 per cent. and 1.59 per cent., respectively, of the Issuer's production of crude oil for those years. In the six months ended 30 June 2026, the Dunga fields produced 207 thousand tonnes of crude oil.

The Dunga fields produced 31 million cubic metres of gas attributable to the Issuer in 2025, 27 million cubic metres of gas in 2024, representing 0.27 per cent., 0.28 per cent., respectively, of the Issuer's production of gas for those years. In the six months ended 30 June 2026, the Dunga fields produced 16 million cubic metres of gas.

The operator is implementing the Dunga Phase 3 project (since 2019), which involves expanding surface infrastructure and connecting 61 previously drilled wells to production. The total investment for the project is 289 million US dollars, with 89.2 per cent. of the work completed to date. The remaining work includes converting 1 well for water injection by the middle of 2026 and constructing a new export pipeline by the end of 2026.

#### ***Exploration Projects***

##### *Kalamkas-Sea-Khazar project*

In 2025, the project transitioned into the Front-End Engineering Design (FEED) phase following the successful completion of the Definition stage. The reprocessing and reinterpretation of 3D seismic data for the cluster were fully concluded, confirming the commercial viability and the geological model of the fields. The operator has finalized the technical concepts for the offshore production complexes and the onshore processing facilities. Throughout 2025, the Joint Venture intensified tendering and contracting preparations for long-lead equipment and major EPC (Engineering, Procurement, and Construction) packages. In 2025, the Company completed the FEED. However current sanctions imposed on LUKOIL effective from November 2025 create material legal,

financial and operational constraints for the project, forcing the parties to look into additional options on project implementation. See “*Risk Factors - Risks relating to the Issuer’s business - Certain of the Issuer’s customers and business associates are subject to U.S., UK and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer*” and “*The Group’s business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine*”.

#### *Karaton Subsalt project*

In July 2025, KMG embarked on the second stage of drilling the SG-8 well, including continued drilling, geophysical surveys, and core sample testing. The prospecting well was drilled to a final depth of 5,750 metres and completed in late December 2025. In January 2026, during the testing of Zone No. 1 in well SG-8, an influx of gas with a high hydrogen sulfide content was obtained.

#### *Subsoil exploration project*

In 2022, the Geology Committee of the Ministry of Ecology, Geology, and Natural Resources of Kazakhstan issued three-year licenses for the conduct of initiative-based seismic exploration activities at five blocks: Berezovsky, Bolashak, Ozen Severny Uzen, Zharkyn, and Mugodzhary. Zharkyn, Bolashak, and Ozen Severny Uzen are located in the Mangystau Region, with the western portion of Bolashak extending into the Caspian Sea. Mugodzhary and Berezovsky are situated in the Aktobe and West Kazakhstan regions, respectively.

The Berezovsky project attracted interest from strategic partners, specifically Lukoil and Sinopec. On June 16, 2025, KMG and Sinopec signed agreements regarding joint activities and financing for the Berezovsky exploration project. On October 29, 2025, an exploration and production contract for the Berezovsky block was signed between the Ministry of Energy of the Republic of Kazakhstan (the Competent Authority), KMG, and Sinopec (the subsoil users).

In 2025, a hydrocarbon exploration and production contract was signed for the Bolashak complex project, with Bolashak Operating, the Issuer’s wholly owned subsidiary, acting as the subsoil user. The block is located within the Ustyurt-Buzachi sedimentary basin. Based on seismic surveys conducted, two prospective structures, Salkyn and Syrytau, were prepared for drilling within the Mesozoic and Palaeozoic formations, respectively. The minimum work programme includes drilling two prospecting wells to depths of 3,500 metres and 4,500 metres, respectively, as well as 432 km<sup>2</sup> of 3D seismic surveys. The Issuer plans to drill the first 3,500-metre prospecting well in 2026.

#### *Tsentralnaya project*

As of 30 June 2026, exploration activities remain on hold, with the project’s further development contingent upon broader macroeconomic conditions.

### ***Oil Field Development and Rehabilitation***

In 2025, KMG advanced from laboratory testing to full-scale industrial deployment of technologies under its roadmaps for addressing operational bottlenecks. The implementation of these roadmaps resulted in additional oil production of 434 thousand tonnes during the year.

### **Transportation of Crude Oil**

#### ***Overview***

The Group partially owns and solely operates the largest crude oil pipeline network in Kazakhstan in terms of length and throughput capacity. As at 31 December 2025 and 2024, the total length of the Issuer’s oil pipeline system was 8,923 kilometres and 9,091 kilometres, respectively.

The Issuer (including through its joint ventures) transported 72.6 million tonnes and 70.3 million tonnes of crude oil through its pipeline network in 2025 and 2024, respectively. For the six months ended 30 June 2026, the Issuer transported 36.3 million tonnes of crude oil through its pipeline network.

The following table sets forth certain information with respect to the pipeline segments owned and operated by the Issuer as at 31 December 2025:

| Pipeline                                     | Kilometres of pipelines | Throughput capacity <sup>(1)</sup> | Primary source of crude oil      |
|----------------------------------------------|-------------------------|------------------------------------|----------------------------------|
|                                              |                         | The Atyrau-Samara section: 17.5    |                                  |
| KTO System:.....                             | 5,197                   | The Port of Aktau: 5.2             | All Kazakhstan                   |
| Kazakhstan-China Pipeline: .....             | 1,759                   | 20                                 | Aktobe region, Kumkol oil field  |
| MunaiTas: .....                              | 455                     | 6                                  | Aktobe and Atyrau regions        |
| CPC Pipeline Consortium <sup>(2)</sup> ..... | 1,511                   | 81.5                               | Western Kazakhstan, Tengiz Field |
| <b>Total</b> .....                           | <b>8,923</b>            | —                                  |                                  |

<sup>(1)</sup> millions of tonnes per year for crude oil (annualised).

<sup>(2)</sup> The Issuer holds a 20.75 per cent. interest in CPC (as at 31 December 2025) and does not operate the CPC pipeline.

## KTO

KTO is the national oil pipeline operator of Kazakhstan. KTO owns an extensive network of trunk oil pipelines with a total length of 5,197 kilometres, to which virtually all oil fields in Kazakhstan are connected.

## Volume of Oil Transportation (thousand tonnes)

| Company                                  | For the six months ended<br>30 June |        | For the year ended<br>31 December |        |
|------------------------------------------|-------------------------------------|--------|-----------------------------------|--------|
|                                          | 2026                                | 2025   | 2025                              | 2024   |
| <b>KTO (100 per cent.)</b> .....         | 22,911                              | 22,268 | 45,120                            | 44,887 |
| export .....                             | 8,984                               | 8,218  | 16,976                            | 17,253 |
| transit .....                            | 5,074                               | 4,989  | 10,027                            | 10,214 |
| domestic market.....                     | 8,853                               | 9,061  | 18,118                            | 17,420 |
| <b>KCP (100 per cent.)</b> .....         | 9,758                               | 9,609  | 19,500                            | 18,789 |
| export .....                             | 659                                 | 480    | 1,095                             | 1,200  |
| transit .....                            | 5,038                               | 4,980  | 9,979                             | 9,979  |
| domestic market.....                     | 4,061                               | 4,149  | 8,426                             | 7,610  |
| <b>MunaiTas (100 per cent.)</b> .....    | 3,183                               | 2,910  | 6,129                             | 5,791  |
| export .....                             | 516                                 | 380    | 879                               | 1,171  |
| domestic market.....                     | 2,667                               | 2,529  | 5,250                             | 4,620  |
| <b>CPC (100 per cent.), export</b> ..... | 33,349                              | 36,024 | 70,525                            | 63,007 |

In 2025, trunkline oil transportation increased by 3.3 per cent. to 72,629 thousand tonnes. The growth is driven by higher transportation volumes of Tengiz oil through the CPC network, resulting from the implementation of the Future Growth Project at the Tengiz field, and more supplies to domestic refineries.

For the six months ended 30 June 2026, trunkline oil transportation increased by 0.8 per cent. to 36,333 thousand tonnes compared with 36,032 thousand tonnes for the six months ended 30 June 2025.

## Tariffs for Oil Transportation to the Domestic Market, KZT per tonne per 1,000 km

| Company                                | 2025  | 2024  |
|----------------------------------------|-------|-------|
| <b>KazTransOil</b> .....               | 4,462 | 4,742 |
| <b>Kazakhstan-China Pipeline</b> ..... | 3,338 | 4,839 |
| <b>MunaiTas</b> .....                  | 8,553 | 5,912 |

## Weighted Average Tariffs for Oil Transportation for Export

| Company                                                     | 2025   | 2024   |
|-------------------------------------------------------------|--------|--------|
| KazTransOil, KZT per tonne per 1,000 km .....               | 11,300 | 10,150 |
| Kazakhstan-China Pipeline, KZT per tonne per 1,000 km ..... | 6,799  | 6,799  |
| MunaiTas, KZT per tonne per 1,000 kilometres.....           | 8,606  | 5,912  |
| Caspian Pipeline Consortium, USD per tonne .....            | 36     | 36     |

For the year ended 31 December 2025, the revenue generated from the transportation of oil totalled KZT 257.9 billion, as compared to KZT 240.7 billion in 2024.

### *Uzen-Atyrau-Samara pipeline*

In 2025, 9.3 million tonnes of Kazakhstan oil were exported via the Atyrau–Samara oil pipeline. The increase in supply via this pipeline compared to 2024 is related to higher production volumes from major projects and optimized routing for the KEBCO blend.

### *Kazakhstan-China Pipeline System*

Oil transportation via KCP LLP main oil pipelines in 2025 was 19.50 million tonnes, representing a 3.8 per cent. increase compared to 18.79 million tonnes in 2024.

### *Kenkiyak-Atyrau Pipeline*

Oil transportation via the Kenkiyak-Atyrau pipeline in 2025 was 6.1 million tonnes compared to 5.8 million tonnes in 2024, which represents an increase of 6 per cent. due to higher volumes transported to the domestic market.

### *CPC pipeline System*

In 2025, 70.5 million tonnes of oil and condensate were transported by CPC through the CPC pipeline. For the six months ended 30 June 2026, 33,349 thousand tonnes of oil and condensate were transported by CPC through the CPC pipeline, compared with 36,024 thousand tonnes for the six months ended 30 June 2025.

CPC charges shippers a transportation tariff based on the quantity of CPC blend delivered to the shipper. As of 31 December, 2025, the tariff for transportation of and delivery to the CPC marine terminal on the Black Sea was at U.S.\$36 per tonne. As at 30 June 2026, the tariff remained unchanged at U.S.\$36 per tonne. See “*Risk Factors—Risks relating to the Issuer’s business—The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers’ products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer’s ability to deliver its products*”.

### *Batumi Oil Terminal*

In the year ended 31 December 2025, KTO transported 1,913 thousand tonnes of crude oil and petroleum products through the Batumi terminal facilities, as compared to 1,856 thousand tonnes in 2024. The 3.1 per cent. increase in volume in 2025 was primarily due to higher transit volumes from third-party shippers in the Caspian region.

### *Marine Transport*

For the year ended 31 December 2025, KMTF transported 10.7 million tonnes of crude oil by sea, as compared to 13.2 million tonnes in 2024. Of this volume, 1.9 million tonnes were transported across the Caspian Sea and 8.8 million tonnes across the Black Sea and the Mediterranean Sea. The decrease in oil transportation by sea was primarily due to a reduction in open-sea transportation following a change in CPC’s allocation plans for Aframax tankers from March 2025.

For the six months ended 30 June 2026, KMTF transported 6,947 thousand tonnes of crude oil by sea, compared with 5,584 thousand tonnes for the six months ended 30 June 2025. The increase was mainly attributable to the expansion of the tanker fleet operating on the Black Sea and Mediterranean routes, the deployment of additional higher-capacity Suezmax tankers for transportation in the Mediterranean Sea, and the resumption of operations by the Taraz and Liwa tankers after modernization.

### *Tariff and Minimum Volumes*

Effective from 1 June 2026, KTO approved a tariff for crude oil export transportation in the amount of KZT 12,500 per tonne per 1,000 kilometres (excluding VAT). The tariff for crude oil transit along the Tuymazy – Omsk – Novosibirsk 2 route amounts to U.S.\$2.1 per tonne (excluding VAT).

By order of the Chairman of the Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan, KTO tariffs for the regulated service of oil pumping to the domestic market of the Republic of Kazakhstan through KTO’s trunk pipeline system using the incentive-based tariff methodology were approved as follows: KZT 6,777.76 per tonne per 1,000 km (excluding VAT) for 2026, KZT 6,960.9 per tonne per 1,000 km (excluding VAT) for 2027, KZT 7,270.83 per tonne per 1,000 km (excluding

VAT) for 2028, KZT 7,564.99 per tonne per 1,000 km (excluding VAT) for 2029, and KZT 8,018.58 per tonne per 1,000 km (excluding VAT) for 2030.

At the same time, by order of the Director General (Chairman of the Management Board) of KazTransOil, the tariff for the regulated service of oil pumping to the domestic market of the Republic of Kazakhstan through KTO's trunk pipeline system for the period from 1 January 2026 to 31 December 2026 was approved in the amount of KZT 4,963.25 per tonne per 1,000 km (excluding VAT).

The Ministry of Energy of the Republic of Kazakhstan, acting as the Competent Authority, in accordance with the agreement between Kazakhstan and China, approved the tariff for the transportation of Russian oil to China for the period from 2024 to 2033 in the amount of U.S.\$15.00 per tonne (excluding VAT). This tariff includes U.S.\$7.24 for the section from the border of the Russian Federation (between Priirtyshsk and Atasu) and U.S.\$7.76 for the section from Atasu to Alashankou.

## Refining, Marketing and Trading

### *Refining Facilities in Kazakhstan*

As at 30 June 2026, the Issuer held a 99.53 per cent. ownership interest in the Atyrau Refinery; a 100.0 per cent. interest in the Pavlodar Refinery; a 50.0 per cent. interest in the Caspi Bitum Refinery through CITIC Kazakhstan LLP; and, through Valsera Holdings B.V., indirectly holds a 49.72 per cent. interest in PKOP, which, in turn, owns the Shymkent Refinery. As at 30 June 2026, the total actual refining capacity of these refineries was at 19 million tonnes of crude oil per year.

### **Pavlodar Refinery**

The Pavlodar Refinery is one of the three principal oil refineries in Kazakhstan and has a designed refining capacity of 18,000 tonnes of crude oil per day and project capacity of 6.0 million tonnes of crude oil per year. In 2025, the refinery achieved the highest refining depth among Kazakhstan's major refineries at 93.95 per cent. It refined 5,765 thousand tonnes of hydrocarbon in 2025 (compared to 5,500 thousand tonnes of oil in 2024), representing an increase of 4.8 per cent. compared to 2024. In 2025, the Pavlodar Refinery produced a total of 5,385 thousand tonnes of refined oil products, including 31.0 per cent. of the gasoline, 39.2 per cent. of the diesel and 5.9 per cent. of the fuel oil.

For the six months ended 30 June 2026, the Pavlodar Refinery refined 3,207 thousand tonnes of hydrocarbon (compared to 2,876 thousand tonnes for the six months ended 30 June 2025), representing an increase of 11.5 per cent. For the same period, the Pavlodar Refinery produced a total of 3,006 thousand tonnes of refined oil products, including 31.0 per cent. of the gasoline, 39.2 per cent. of the diesel and 5.1 per cent. of the fuel oil.

The Pavlodar Refinery tolls oil for a processing fee approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2025, the weighted average tariffs to refine 1 tonne of tolling feedstock at Pavlodar Refinery was KZT 32,212. As at 30 June 2026, the weighted average tariffs to refine 1 tonne of tolling feedstock at Pavlodar Refinery was KZT 35,400.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Pavlodar Refinery for the periods indicated:

|                            | For the six months ended<br>30 June |              | For the year ended<br>31 December |              |
|----------------------------|-------------------------------------|--------------|-----------------------------------|--------------|
|                            | 2026                                | 2025         | 2025                              | 2024         |
|                            | (thousand tonnes)                   |              |                                   |              |
| Light <sup>(1)</sup> ..... | 2,415                               | 2,111        | 4,282                             | 4,021        |
| Dark <sup>(2)</sup> .....  | 387                                 | 410          | 746                               | 793          |
| Other products .....       | 204                                 | 169          | 357                               | 271          |
| <b>Total</b> .....         | <b>2,690</b>                        | <b>3,006</b> | <b>5,385</b>                      | <b>5,084</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LPG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen



## Atyrau Refinery

The Atyrau Refinery refined 5,471 thousand tonnes of hydrocarbon in 2025, compared to 5,547 thousand tonnes in 2024. In 2025, the Atyrau Refinery produced a total of 4,904 thousand tonnes of refined oil products, including 36.5 per cent. of the gasoline, 39.1 per cent. of the diesel and 11.5 per cent. of the fuel oil.

For the six months ended 30 June 2026, the Atyrau Refinery refined 2,841 thousand tonnes of hydrocarbons, compared to 2,888 thousand tonnes of hydrocarbon for the six months ended 30 June 2025. For the same period, the Atyrau Refinery produced a total of 2,594 thousand tonnes of refined oil products, including 39.81 per cent. of the gasoline, 39.1 per cent. of the diesel and 8.3 per cent. of the fuel oil. The Atyrau Refinery charges processing fees, which are approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2025, the weighted average tariffs to refine 1 tonne of tolling feedstock at Atyrau Refinery was KZT 49,593. As at 30 June 2026, the weighted average tariffs to refine 1 tonne of tolling feedstock at Atyrau Refinery was KZT 47,000.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Atyrau Refinery for the periods indicated:

|                                     | For the six months ended<br>30 June |              | For the year ended<br>31 December |              |
|-------------------------------------|-------------------------------------|--------------|-----------------------------------|--------------|
|                                     | 2026                                | 2025         | 2025                              | 2024         |
|                                     | <i>(thousand tonnes)</i>            |              |                                   |              |
| Light <sup>(1)</sup> .....          | 2,282                               | 2,141        | 4,104                             | 3,705        |
| Dark <sup>(2)</sup> .....           | 216                                 | 277          | 565                               | 1,013        |
| Petrochemicals <sup>(3)</sup> ..... | 7                                   | 88           | 96                                | 136          |
| Other products .....                | 89                                  | 58           | 138                               | 171          |
| <b>Total</b> .....                  | <b>2,594</b>                        | <b>2,564</b> | <b>4,904</b>                      | <b>5,025</b> |

(1) Includes petrol, diesel fuel, jet fuel and LNG.

(2) Includes fuel oil, vacuum gas oil and bitumen

(3) Benzene and paraxylene

## Shymkent Refinery

The Shymkent Refinery refined a total of 6,228 thousand tonnes of crude oil in 2025 (on a 100 per cent. basis), as compared to 5,744 thousand tonnes in 2024, representing an increase of 8.4 per cent. compared to 2024. KMG's share for the year ended 31 December 2025 was 3,114 thousand tonnes. Crude oil refined at the Shymkent Refinery is supplied by the Issuer's joint venture partners. Accordingly, while the Issuer is entitled to profits from the operation of the Shymkent Refinery, none of the crude oil refined at the Shymkent Refinery is attributable to the Issuer.

In 2025, the Shymkent Refinery produced a total of 5,788 thousand tonnes of refined oil products (on a 100 per cent. basis), including 39.4 per cent. of the gasoline, 36.5 per cent. of the diesel and 11.9 per cent. of the fuel oil.

For the six months ended 30 June 2026, the Shymkent Refinery refined a total of 2,532 thousand tonnes of crude oil (on a 100 per cent. basis), as compared to 3,066 thousand tonnes for the six months ended 30 June 2025, representing a decrease of 17.4 per cent. compared to the six months ended 30 June 2025. KMG's share for the six months ended 30 June 2026 was 1,266 thousand tonnes.

For the six months ended 30 June 2026, the Shymkent Refinery produced a total of 2,322 thousand tonnes of refined oil products (on a 100 per cent. basis), including 41.7 per cent. of the gasoline, 38.3 per cent. of the diesel and 7.2 per cent. of the fuel oil.

The Shymkent Refinery tolls oil for a processing fee approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2025, the weighted average tariffs to refine 1 tonne of tolling feedstock at Shymkent Refinery was KZT 35,336. As at 30 June 2026, the weighted average tariffs to refine 1 tonne of tolling feedstock at Shymkent Refinery was KZT 35,336.

The following table sets forth KMG's share of the historical product mixture and volumes of refined oil products produced at the Shymkent Refinery for the periods indicated:

|                            | For the six months ended<br>30 June |                   | For the year ended<br>31 December |              |
|----------------------------|-------------------------------------|-------------------|-----------------------------------|--------------|
|                            | 2026                                | 2025              | 2025                              | 2024         |
|                            |                                     | (thousand tonnes) |                                   |              |
| Light <sup>(1)</sup> ..... | 1,074                               | 1,252             | 2,544                             | 2,262        |
| Dark <sup>(2)</sup> .....  | 84                                  | 169               | 343                               | 385          |
| Other products .....       | 3                                   | 3                 | 8                                 | 7            |
| <b>Total</b> .....         | <b>1,161</b>                        | <b>1,425</b>      | <b>2,894</b>                      | <b>2,653</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LPG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen.

### Caspi Bitum Refinery

The Caspi Bitum refinery refined 348 thousand tonnes of hydrocarbons in 2025 (net to KMG), compared to 327 thousand tonnes in 2024, representing an increase of 6.4 per cent. compared to 2024.

The Caspi Bitum refinery produced 345 thousand tonnes of oil products in 2025 (net to KMG), compared to 323 thousand tonnes in 2024, representing an increase of 6.8 per cent. compared to 2024.

For six months ended 30 June 2026, the Caspi Bitum refinery refined 139 thousand tonnes of hydrocarbons (net to KMG) and produced 137 thousand tonnes of oil products (net to KMG). For the six months ended 30 June 2025, processing at the Caspi Bitum refinery was suspended due to modernization works aimed at increasing its capacity to 1.5 million tonnes per year.

This refinery is also the largest producer of road bitumen in Kazakhstan. In 2025, the total volume of oil refining reached 696,300 tonnes and the volume of production of road bitumen amounted to 284,181 tonnes, which accounts for 40.0 per cent. of the total volume of bitumen production at two large bitumen producing plants belonging to KMG (Pavlodar refinery and Caspi Bitum), on a 100 per cent. basis.

### Kazakh Gas Processing Plant

The Kazakh Gas Processing Plant sold 202.9 thousand tonnes of LPG in 2025, compared to 200.0 thousand tonnes in 2024, representing an increase of 1.5 per cent. compared to 2024. In 2025, the plant processed 856.4 million cubic metres of raw gas, 3 thousand tonnes of gas condensate, and 37.1 thousand tonnes of natural gas liquids.

For the six months ended 30 June 2026, the Kazakh Gas Processing Plant sold 100.6 thousand tonnes of LPG, compared to 100.5 thousand tonnes for the six months ended 30 June 2025, representing an increase of 0.1 per cent. For the six months ended 30 June 2026, the plant processed 437.7 million cubic metres of raw gas, 2.8 thousand tonnes of gas condensate, and 16.8 thousand tonnes of natural gas liquids.

### Construction of a new gas processing plant in Zhanaozen

The project's primary objectives are to replace the existing GPP, ensure the stable operation of oil-producing assets in the Mangystau region, and facilitate the utilisation of associated petroleum gas and natural gas to supply industrial and social products. Upon completion, the plant is projected to have a capacity of 900 million cubic metres of natural and associated gas per year.

On 17 February 2025 and 14 July 2025, respectively, positive conclusions were obtained from RSE "State Expertise" in respect of the detailed designs for Construction Packages 1 and 2, and on 16 March 2026 a further positive conclusion was obtained for the Project's design documentation at the "P" stage. Following the positive conclusions of the State Expertise, the financial and economic parameters of the Project were updated.

### Refined Oil Products

The following tables set forth the product mixture and corresponding domestic market share of the Issuer for the periods indicated:

| Product        | For the year ended 31 December 2025        |                    |              |
|----------------|--------------------------------------------|--------------------|--------------|
|                | Production in<br>Kazakhstan <sup>(1)</sup> | KMG <sup>(2)</sup> | Market Share |
|                | (thousand tonnes)                          |                    | %            |
| Gasoline ..... | 5,975                                      | 4,600              | 77           |
| Jet fuel ..... | 723                                        | 558                | 77           |

| Product        | For the year ended 31 December 2025     |                    |              |
|----------------|-----------------------------------------|--------------------|--------------|
|                | Production in Kazakhstan <sup>(1)</sup> | KMG <sup>(2)</sup> | Market Share |
|                | (thousand tonnes)                       |                    | %            |
| Diesel .....   | 6,159                                   | 5,081              | 82           |
| Fuel oil ..... | 1,607                                   | 1,229              | 76           |
| Bitumen.....   | 710                                     | 568                | 80           |

(1) Source: Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC.

(2) Source: Data from the Issuer.

| Product        | For the year ended 31 December 2024     |                    |              |
|----------------|-----------------------------------------|--------------------|--------------|
|                | Production in Kazakhstan <sup>(1)</sup> | KMG <sup>(2)</sup> | Market Share |
|                | (thousand tonnes)                       |                    | %            |
| Gasoline ..... | 5,461                                   | 4,300              | 79           |
| Jet fuel ..... | 746                                     | 584                | 78           |
| Diesel .....   | 5,383                                   | 4,401              | 82           |
| Fuel oil ..... | 1,993                                   | 1,573              | 79           |
| Bitumen.....   | 603                                     | 482                | 80           |

(1) Source: Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC.

(2) Source: Data from the Issuer.

### KMG International

The total hydrocarbon refining of KMG International for the year ended 31 December 2025 was 6,282 thousand tonnes, as compared to 4,912 thousand tonnes in 2024, representing an increase of 27.9 per cent.

The total hydrocarbon refining of KMG International for the six months ended 30 June 2026 was 2,763 thousand tonnes, as compared to 2,969 thousand tonnes for the six months ended 30 June 2025, representing a decrease of 7.0 per cent.

### Refining

#### Petromidia Refinery

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Petromidia Refinery for the periods indicated:

|                   | For the six months ended 30 June |              | For the year ended 31 December |              |
|-------------------|----------------------------------|--------------|--------------------------------|--------------|
|                   | 2026                             | 2025         | 2025                           | 2024         |
|                   | (thousand tonnes)                |              |                                |              |
| Gasoline .....    | 585                              | 691          | 1,664                          | 1,266        |
| Diesel .....      | 1,161                            | 1,170        | 2,534                          | 2,044        |
| Other.....        | 792                              | 860          | 1,588                          | 1,211        |
| <b>Total.....</b> | <b>2,538</b>                     | <b>2,721</b> | <b>5,786</b>                   | <b>4,521</b> |

#### Vega Refinery

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Vega Refinery for the periods indicated:

|                    | For the six months ended 30 June |            | For the year ended 31 December |            |
|--------------------|----------------------------------|------------|--------------------------------|------------|
|                    | 2026                             | 2025       | 2025                           | 2024       |
|                    | (thousand tonnes)                |            |                                |            |
| Bitumen.....       | 49                               | 35         | 93                             | 75         |
| Other .....        | 113                              | 145        | 301                            | 213        |
| <b>Total .....</b> | <b>162</b>                       | <b>179</b> | <b>394</b>                     | <b>288</b> |

### Retail Network

KMG International sells a full range of petroleum products, including gasoline, diesel fuel, LPG and heating oil both domestically in Romania and in Eastern Europe. As at 31 December 2025, KMG International owned and operated 1,468 distribution points, including 1,217 points of sale in Romania (including 489 gas stations), 100 in Georgia, 55 in Bulgaria and 96 in Moldova. As of 31 December 2025, KMG International maintained a retail market share of 19 per cent. in Romania (total: 27.4 per cent.), 29 per cent. in Moldova (total: 43 per cent.), 11.4 per cent. in Georgia (total: 14.3 per cent.), and 3.4 per cent. in Bulgaria (total: 5.6 per cent.).

The trading and marketing of refined oil products in the Romanian market is performed by various KMG International controlled entities, Rompetrol Downstream and Rompetrol Gas SRL (wholesale and retail sale of liquefied gas) in Romania and by Rompetrol Moldova, Rompetrol Georgia, Rompetrol Bulgaria and KMG Trading in Eastern Europe. The fuels obtained from the Petromidia Refinery are mainly traded in Romania by Rompetrol Downstream, which sold 1,989 thousand tonnes of petroleum products in 2025, representing a 16 per cent. increase compared to 2024.

The following tables set forth KMG International's product mixture sold for the periods indicated:

| For the year ended 31 December 2025   |                                 |              |              |
|---------------------------------------|---------------------------------|--------------|--------------|
| Volume                                | volume sold                     |              |              |
|                                       | Wholesale                       | Retail       |              |
|                                       | <i>(in thousands of tonnes)</i> |              |              |
| Gasoline.....                         | 1,435                           | 990          | 445          |
| Diesel fuel .....                     | 2,616                           | 1,465        | 1,150        |
| Jet fuel .....                        | 570                             | 570          | –            |
| LPG .....                             | 269                             | 240          | 29           |
| Other products .....                  | 843                             | 843          | –            |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>5,733</b>                    | <b>4,108</b> | <b>1,624</b> |

| For the year ended 31 December 2024   |                                 |              |              |
|---------------------------------------|---------------------------------|--------------|--------------|
| Volume                                | volume sold                     |              |              |
|                                       | Wholesale                       | Retail       |              |
|                                       | <i>(in thousands of tonnes)</i> |              |              |
| Gasoline.....                         | 1,105                           | 682          | 423          |
| Diesel fuel .....                     | 2,098                           | 902          | 1,196        |
| Jet fuel .....                        | 382                             | 382          | –            |
| LPG .....                             | 231                             | 203          | 29           |
| Other products .....                  | 598                             | 598          | –            |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>4,415</b>                    | <b>2,767</b> | <b>1,648</b> |

<sup>(1)</sup> The figures in these tables include the total sales of KMG International's subsidiaries, as well as the volumes sold by the Petromidia, Vega and Petrochemicals Refineries directly to third parties.

The following tables set forth KMG International's product mixture sold in Romania for the periods indicated:

| For the year ended 31 December 2025   |                                 |              |              |
|---------------------------------------|---------------------------------|--------------|--------------|
| Volume                                | volume sold                     |              |              |
|                                       | Wholesale                       | Retail       |              |
|                                       | <i>(in thousands of tonnes)</i> |              |              |
| Gasoline .....                        | 464                             | 205          | 259          |
| Diesel fuel .....                     | 1,939                           | 1,035        | 905          |
| Jet fuel .....                        | 373                             | 373          | –            |
| LPG .....                             | 242                             | 229          | 12           |
| Other products .....                  | 345                             | 345          | –            |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>3,363</b>                    | <b>2,187</b> | <b>1,176</b> |

| For the year ended 31 December 2024   |                                 |              |              |
|---------------------------------------|---------------------------------|--------------|--------------|
| Volume                                | volume sold                     |              |              |
|                                       | Wholesale                       | Retail       |              |
|                                       | <i>(in thousands of tonnes)</i> |              |              |
| Gasoline .....                        | 322                             | 70           | 252          |
| Diesel fuel .....                     | 1,565                           | 603          | 962          |
| Jet fuel .....                        | 302                             | 302          | –            |
| LPG .....                             | 202                             | 190          | 12           |
| Other products .....                  | 304                             | 304          | –            |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>2,695</b>                    | <b>1,469</b> | <b>1,226</b> |

(1) The figures in these tables include the total sales of KMG International's subsidiaries, as well as the volumes sold by the Petromidia Refinery directly to third parties.

In addition, KMG is a member of certain joint ventures in Kazakhstan that carry out sales, purchases and transportation for processing of natural and liquified gas and gas products, as applicable, including KazRosGas LLP, in which KMG has a 50% interest being held in trust by QazaqGaz pursuant to a trust management agreement between KMG and QazaqGaz dated 22 June 2015.

### ***Petrochemical***

#### ***KPI***

For the year ended 31 December 2025, KPI produced 377 thousand tonnes of polypropylene, a significant increase compared to 249 thousand tonnes in 2024. This growth was driven by the stabilisation of production processes. The plant has a design production capacity of 500 thousand tonnes per year. In 2025, KPI exported 326 thousand tonnes of polypropylene to Europe, China, Türkiye and Russia, across 15 product grades.

For the six months ended 30 June 2026, KPI produced 102 thousand tonnes of polypropylene, compared with 107 thousand tonnes for the six months ended 30 June 2025. For the six months ended 30 June 2026, KPI exported 85 thousand tonnes of polypropylene to Europe, Türkiye, Russia, China and new markets in Africa, compared with 91 thousand tonnes for the six months ended 30 June 2025.

### ***Litigation***

#### **Civil legal dispute between the National Mineral Resources Agency ("NAMR") and Oilfield Exploration Business Solutions S.A ("OEBS"), subsidiary of KMGI, at the Focsani field**

On 17 December 2019 OEBS has been notified by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On 29 July 2022 the Court decided to oblige OEBS to pay U.S.\$10.1 million from a total NAMR claim of U.S.\$20 million. In 2022, the Group recognized a provision in the amount of U.S.\$10.1 million (equivalent to KZT 5,106 million). On 23 May 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay U.S.\$10.1 million. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS paid 30 per cent. of the liabilities directly to NAMR, and the remaining 70 per cent. in the amount of 7.1 million dollars (equivalent to 3,589 million tenge) will be paid to the Romanian tax authorities by 23 November 2026, in accordance with the debt Restructuring Plan agreed between OEBS and the National Agency for Fiscal Administration.

#### **Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on 26 May 2022. In 2022, the Group recognized a provision on penalties in the amount of U.S.\$12 million (equivalent to 6,066 million tenge). On August 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The court hearing on RPM's appeal has been postponed until October 2026.

#### **The case of the Memorandum of Understanding between KMGI and the Government of Romania**

On 15 February 2013, KMGI and the Government of Romania signed the Memorandum of Understanding (the "Memorandum") to settle a dispute arising from the conversion of bonds issued by Rompetrol Rafinare, a subsidiary of KMGI.

Among other provisions, the Memorandum stated that the precautionary seizure of Rompetrol Rafinare assets (including shares held by Rompetrol Rafinare in its subsidiaries) imposed in September 2010 were to be lifted after the state withdrew its claim against the conversion of the bonds into Rompetrol Rafinare shares, which happened in March 2014. At the same time, the Government of Romania will organize an auction for the sale of

26.6959 per cent. of Rompetrol Rafinare shares (the first call), at which KMGI will have to offer a price not less than U.S.\$200 million dollars.

On 22 January 2025, KMGI formally notified the Romanian Ministry of Energy on termination of its obligations under the memorandum due to an ongoing legal dispute concerning the seizure of Rompetrol Rafinare's assets.

On 31 January 2025, the Supreme Court confirmed the first court resolution by which Romanian Tax Authorities should issue a decision to cancel the enforcement order and release the precautionary seizure on assets of Rompetrol Rafinare. As of 31 December 2025, most of the assets are already released.

On 30 April 2025, the term for implementation of the Memorandum expired.

**The case of an administrative offense of Atyrau Refinery LLP ("Atyrau Refinery") initiated by the Department of Agency for Protection and Development of Competition of RK ("Antimonopoly Agency") of the Atyrau region**

In January 2025 the Antimonopoly Agency conducted an inspection for compliance with the legislation of the RK in the field of competition protection in relation to Atyrau Refinery on the grounds of establishing and maintaining monopolistically high prices for oil refining services for 2021-2023. In June 2025 the Antimonopoly Agency issued the Conclusion which stated that Atyrau Refinery set monopolistically high tariffs for oil refining services, and sought to confiscate revenue for 2021-2023 of 29,137 million tenge and impose a fine of 37,390 million tenge. Atyrau Refinery does not agree with the results of the Conclusion and on 4 September 2025 filed an administrative claim to the specialized interdistrict administrative court of the Atyrau region against the Conclusion. On 5 December 2025, the court denied the claim of Atyrau refinery. On 12 February 2026, Atyrau refinery filed an appeal against the court decision.

**Environmental audits**

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan ("KERK") conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (the "Operator"). Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tonnes. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order.

On 14 June 2023, the Specialized Inter-District Administrative Court ("SIDAC") of the city of Astana ruled in favour of the Operator regarding the placement of sulfur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court of the city of Astana annulled this decision. On 26 June 2025, the Supreme Court of the Republic of Kazakhstan issued a ruling to overturn the decision of 27 February 2024 and referred the case for a new trial to the appellate court with a different panel of judges. On 10 July 2025, the case was accepted for consideration by the Judicial Panel for Administrative Cases of the Court of the city of Astana. On 1 August 2025, the appellate court announced a decision in favour of the Operator and annulled the inspection results in full, including the excessive placement of sulfur.

In August 2025, the state inspector of the Department Ecology of the Atyrau Region issued seven decisions against the Operator. The Operator appealed all the decisions to KERK. On 24 October 2025, KERK, based on the Operator's petition, suspended its consideration of the complaints due to the fact that on 10 October 2025, the Operator received from the Department Ecology of the Atyrau Region a new order to eliminate the violations. On 17 October 2025, the Operator appealed this order to the SIDAC. On 8 January 2026, SIDAC ruled that the order of 10 October 2025, was valid. The Operator has the right to appeal this decision.

## REGULATION IN KAZAKHSTAN

*The section entitled “Regulation in Kazakhstan” on pages 124 to 139 of the Offering Memorandum is hereby amended and/or supplemented as follows:*

### **“Regulation of Mineral Rights in Kazakhstan**

#### ***General***

In Kazakhstan, the subsoil and minerals contained therein are owned by the people of Kazakhstan, in accordance with the Constitution of Kazakhstan and the Subsoil Code, which came into effect from 29 June 2018, as amended. The Government ensures access to the subsoil on the terms, conditions and within the limits as provided for by the Subsoil Code. Unless otherwise stipulated by Kazakhstan law and subsoil use contracts, produced mineral raw materials shall be owned by the subsoil user under a right of ownership. The Government develops Kazakhstan’s subsoil use policy and appoints a Competent Authority (as defined below) responsible for implementation of the subsoil use policy. The Competent Authority acts on behalf of the Republic, including in subsoil use contracts, and grants exploration and production rights.

#### ***Regulation of Subsoil Use Rights under the Subsoil Code***

##### ***Social Obligations***

Starting from the second year of the production phase of the relevant contract subsoil users are obliged on a yearly basis to finance the training of Kazakhstani personnel and research projects at a rate of one per cent. of the production costs incurred by the subsoil user in a previous year. Within the same timeframe, the subsoil user also has to finance social and economic development of the region and development of the region’s infrastructure in the amount equivalent to one per cent of the investments under a subsoil use contract in a production period based on a previous year result.

Contracts for subsoil use are required to identify the subsoil user’s obligation to ensure equal conditions and fair pay for Kazakhstan personnel in comparison to foreign personnel, including personnel employed at the subcontractor level. A subsoil user is also obligated to give priority to hire Kazakhstan nationals to work and be trained.

In addition, subsoil use contracts may contain other social commitments and contributions to be undertaken by subsoil users, including those related to infrastructure and social development of the respective regions.

##### ***Other Regulatory Authorities***

The Ministry for Emergency Situations of the Republic of Kazakhstan is responsible for overseeing emergency services in Kazakhstan which includes prevention and handling of emergencies and natural disasters in Kazakhstan as well as ensuring of fire safety and organisation of civil defence.

##### ***Gas Flaring***

If flaring is made because of an emergency or a threat of emergency, the subsoil user must notify the Competent Authority and the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan in writing within 10 days of such flaring. In all other cases, the subsoil user is subject to obtaining the Competent Authority’s permit for gas flaring provided that the subsoil user complies with the limits on gas flaring contained in the project documents and the gas processing development programme approved by the Competent Authority.

##### ***Carbon Emissions Quotas***

The National Carbon Credit Plan for the period 2026 – 2030 was approved by the Order of the Minister of the Ecology and National Resources No. 49-II dated 19 March 2026.

##### ***S-K Rules***

Samruk-Kazyna exercises overall supervision over compliance with the S-K Rules under the Samruk-Kazyna Procurement Control Rules adopted on 3 March 2022, which became effective on 1 April 2022.

**Anti-monopoly Regulation**

The Agency for Protection and Development of Competition of the Republic of Kazakhstan is responsible for the supervision of competition matters, including those relating to the oil and gas industry. It regulates the competitive behaviour of legal entities that are not natural monopolies and supervises legal entities that hold dominant positions in a particular commodity market.”



## **TAXATION**

### **Kazakhstan Taxation**

*The section entitled “Taxation – Kazakhstan Taxation” on pages 140 to 147 of the Offering Memorandum is hereby amended and/or supplemented as follows:*

“The following is a general summary of Kazakhstan tax consequences as at the date hereof in relation to payments made under the Notes and in relation to the sale or transfer of the Notes. It is not exhaustive and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as Kazakhstani investment funds) may be subject to special rules and exemptions. Purchasers are urged to consult their professional advisers as to the tax consequences to them of holding or transferring Notes.

#### **Tax benefits**

The AIFC Law provides for certain tax exemptions in relation to securities included in the official securities list of the AIX. Thus, until 1 January 2066 interest paid on the securities and capital gains derived from sale of the securities are exempt from personal income tax and corporate tax in Kazakhstan, respectively, provided that such securities are included in the official securities list of the AIX at the date the interest is accrued thereon and at the date of the sale of such securities. The provisions of the AIFC Law in terms of tax benefits are broader than the provisions of the Tax Code, which give more flexibility and advantages to holders of the securities. Accordingly, if the Notes are delisted from the official securities list of the AIX for any reason, the holders of the Notes will not enjoy or will lose the tax benefits under the AIFC Law as described above and the holders of the Notes will fall under the statutory regime established by the Tax Code.

#### **Interest**

Once the Notes are included in the official list of securities of the AIX, payments of interest on the Notes will be exempt from taxation in Kazakhstan (both in relation to interest received by Non-Kazakhstan Holders and Kazakhstan Holders) until 1 January 2066.

#### **Gains**

Once the Notes are included in the official list of securities of the AIX, capital gains derived by holders of the Notes from the sale thereof are expected to be exempt from taxation in Kazakhstan until 1 January 2066, for both Kazakhstan Holders and Non-Kazakhstan Holders.”

## SUBSCRIPTION AND SALE

### Republic of Kazakhstan

*The section entitled “Subscription and Sale – Republic of Kazakhstan” on 162 of the Offering Memorandum is hereby replaced as follows:*

“Each Dealer has represented and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in Kazakhstan except in compliance with the applicable laws of AIFC and the regulations of the AIX.

The Notes may be offered or sold to Professional Client(s) as defined in section 1.1.2(6)(a) of the AIFC Market Rules.”

## **GENERAL INFORMATION**

*The section entitled “General Information” on page 163 of the Offering Memorandum is hereby replaced as follows:*

“6. There has been no material adverse change in the prospects of the Issuer and/or the Group since 31 December 2025 and there has been no significant change in the financial performance or financial position of the Issuer and/or the Group since 31 December 2025.”

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#### **\*Note:**

Joint Stock Company “National Company “KazMunayGas” or JSC “National Company “KazMunayGas” as referred in the Unaudited Interim Condensed Consolidated Financial Statements as at and for the six months ended 30 June 2026 and Audited Consolidated Financial Statements as at and for the year ended 31 December 2025 shall mean KazMunayGas National Company Joint-Stock Company

**KazMunayGas National Company Joint-Stock Company**

Interim condensed consolidated financial statements (unaudited)

*For the three and six months ended June 30, 2026*

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# **Report on Review of Interim Condensed Consolidated Financial Statements**

To the Shareholders, Board of Directors and Management of KazMunayGas National Company Joint-Stock Company

## **Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of KazMunayGas National Company Joint-Stock Company and its subsidiaries (together – the “Group”) as at 30 June 2026 and the related interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

## **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

PricewaterhouseCoopers



Approved and signed by:


Azamat Konratbaev  
Managing Director  
PricewaterhouseCoopers LLP  
(General State License of the Ministry of  
Finance of the Republic of Kazakhstan  
#0000005 dated 21 October 1999)

Auditor in charge  
(Qualified Auditor's Certificate  
#МФ-0000315 dated 28 December 2015)

Almaty, Kazakhstan  
12 August 2026



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME****For the three and six months ended June 30, 2026**

|                                                                                               |      | For the three months ended |                    | For the six months ended |                    |
|-----------------------------------------------------------------------------------------------|------|----------------------------|--------------------|--------------------------|--------------------|
|                                                                                               |      | June 30,                   |                    | June 30,                 |                    |
| <i>In millions of tenge</i>                                                                   | Note | 2026 (unaudited)           | 2025 (unaudited)   | 2026 (unaudited)         | 2025 (unaudited)   |
| <b>Revenue and other income</b>                                                               |      |                            |                    |                          |                    |
| Revenue from contracts with customers                                                         | 4    | 3,086,838                  | 2,259,243          | 5,567,754                | 4,500,494          |
| Share in profit of joint ventures and associates, net                                         | 5    | 341,183                    | 163,344            | 536,781                  | 348,737            |
| Gain from disposal of subsidiary                                                              |      | –                          | 3,000              | –                        | 3,000              |
| Interest income calculated using the effective interest method                                | 12   | 56,126                     | 50,236             | 103,792                  | 93,669             |
| Other finance income                                                                          | 12   | 1,500                      | 26,060             | 6,790                    | 27,162             |
| Other operating income                                                                        |      | 15,668                     | 12,855             | 28,477                   | 20,246             |
| <b>Total revenue and other income</b>                                                         |      | <b>3,501,315</b>           | <b>2,514,738</b>   | <b>6,243,594</b>         | <b>4,993,308</b>   |
| <b>Costs and expenses</b>                                                                     |      |                            |                    |                          |                    |
| Cost of purchased oil, gas, petroleum products and other materials                            | 6    | (1,778,598)                | (1,210,917)        | (3,018,793)              | (2,426,770)        |
| Production expenses                                                                           | 7    | (430,635)                  | (396,630)          | (813,249)                | (758,776)          |
| Taxes other than income tax                                                                   | 8    | (206,986)                  | (132,644)          | (353,878)                | (281,931)          |
| Depreciation, depletion and amortization                                                      |      | (188,236)                  | (175,086)          | (378,242)                | (353,002)          |
| Transportation and selling expenses                                                           | 9    | (81,158)                   | (74,290)           | (167,335)                | (145,683)          |
| General and administrative expenses                                                           | 10   | (50,057)                   | (48,855)           | (95,911)                 | (94,252)           |
| Recovery of impairment/(impairment) of property, plant and equipment and exploration expenses | 11   | 358                        | 3,085              | 275                      | (19,463)           |
| Finance costs                                                                                 | 12   | (71,943)                   | (82,290)           | (144,704)                | (164,013)          |
| Foreign exchange gain/(loss), net                                                             | 2    | 5,421                      | 38,200             | (79,169)                 | (22,728)           |
| Expected credit losses                                                                        |      | (8,272)                    | (4,061)            | (12,029)                 | (3,976)            |
| Other expenses                                                                                |      | (11,969)                   | (9,586)            | (21,661)                 | (15,837)           |
| <b>Total costs and expenses</b>                                                               |      | <b>(2,822,075)</b>         | <b>(2,093,074)</b> | <b>(5,084,696)</b>       | <b>(4,286,431)</b> |
| <b>Profit before income tax</b>                                                               |      | <b>679,240</b>             | <b>421,664</b>     | <b>1,158,898</b>         | <b>706,877</b>     |
| Income tax expenses                                                                           | 13   | (148,611)                  | (79,805)           | (255,125)                | (172,500)          |
| <b>Net profit for the period</b>                                                              |      | <b>530,629</b>             | <b>341,859</b>     | <b>903,773</b>           | <b>534,377</b>     |

*The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.*

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME (continued)**

|                                                                                                                         |      | For the three months ended<br>June 30, |                  | For the six months ended<br>June 30, |                  |
|-------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------|------------------|--------------------------------------|------------------|
| <i>In millions of tenge</i>                                                                                             | Note | 2026 (unaudited)                       | 2025 (unaudited) | 2026 (unaudited)                     | 2025 (unaudited) |
| <b>Other comprehensive (loss)/income</b>                                                                                |      |                                        |                  |                                      |                  |
| <i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods</i>                     |      |                                        |                  |                                      |                  |
| Hedging effect                                                                                                          |      | (1,219)                                | (5,110)          | (48,914)                             | (2,900)          |
| Exchange differences on translation of foreign operations                                                               |      | 42,549                                 | 305,258          | (494,302)                            | (128,776)        |
| Net (loss)/gain on hedge of a net investment                                                                            | 19   | (7,052)                                | (75,248)         | 111,712                              | 25,671           |
| Tax effect                                                                                                              |      | (3,095)                                | (18,051)         | 28,257                               | 7,836            |
| <b>Net other comprehensive income/(loss) to be reclassified to profit or loss in the subsequent periods, net of tax</b> |      | <b>31,183</b>                          | <b>206,849</b>   | <b>(403,247)</b>                     | <b>(98,169)</b>  |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>                        |      |                                        |                  |                                      |                  |
| Actuarial (loss)/gain on defined benefit plans, net of tax                                                              |      | (240)                                  | 780              | (240)                                | 780              |
| Actuarial gain on defined benefit plans of the joint ventures, net of tax                                               |      | 654                                    | 541              | 266                                  | 698              |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax</b>    |      | <b>414</b>                             | <b>1,321</b>     | <b>26</b>                            | <b>1,478</b>     |
| <b>Net other comprehensive income/(loss) for the period, net of tax</b>                                                 |      | <b>31,597</b>                          | <b>208,170</b>   | <b>(403,221)</b>                     | <b>(96,691)</b>  |
| <b>Total comprehensive income for the period, net of tax</b>                                                            |      | <b>562,226</b>                         | <b>550,029</b>   | <b>500,552</b>                       | <b>437,686</b>   |
| <b>Net profit/(loss) for the period attributable to:</b>                                                                |      |                                        |                  |                                      |                  |
| Equity holders of the Parent Company                                                                                    |      | 519,723                                | 339,471          | 887,574                              | 535,997          |
| Non-controlling interests                                                                                               |      | 10,906                                 | 2,388            | 16,199                               | (1,620)          |
|                                                                                                                         |      | 530,629                                | 341,859          | 903,773                              | 534,377          |
| <b>Total comprehensive income/(loss) attributable to:</b>                                                               |      |                                        |                  |                                      |                  |
| Equity holders of the Parent Company                                                                                    |      | 551,276                                | 547,424          | 484,637                              | 439,284          |
| Non-controlling interests                                                                                               |      | 10,950                                 | 2,605            | 15,915                               | (1,598)          |
|                                                                                                                         |      | 562,226                                | 550,029          | 500,552                              | 437,686          |
| <b>Earnings per share* – tenge thousands</b>                                                                            |      |                                        |                  |                                      |                  |
| Basic and diluted                                                                                                       |      | 0.85                                   | 0.56             | 1.46                                 | 0.88             |

\* The average number of ordinary shares for the three and six months ended June 30, 2026 and June 30, 2025 equaled to 610,119,493.

Deputy Chairman of the Management Board

Chief accountant



*[Signature]*  
D.A. Aryssova

*[Signature]*  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at June 30, 2026**

| <i>In millions of tenge</i>                    | <b>Note</b> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|------------------------------------------------|-------------|--------------------------------------|----------------------------------------|
| <b>Assets</b>                                  |             |                                      |                                        |
| <b>Non-current assets</b>                      |             |                                      |                                        |
| Exploration and evaluation assets              |             | <b>200,903</b>                       | 211,410                                |
| Property, plant and equipment                  | 14          | <b>7,253,005</b>                     | 7,590,629                              |
| Investment property                            |             | <b>6,676</b>                         | 7,912                                  |
| Intangible assets                              |             | <b>829,060</b>                       | 881,420                                |
| Right-of-use assets                            |             | <b>118,509</b>                       | 117,083                                |
| Investments in joint ventures and associates   | 16          | <b>4,687,087</b>                     | 4,933,962                              |
| VAT receivable                                 |             | <b>27,289</b>                        | 38,556                                 |
| Advances for non-current assets                |             | <b>325,457</b>                       | 161,074                                |
| Other non-current non-financial assets         |             | <b>8,898</b>                         | 9,383                                  |
| Loans and receivables due from related parties | 24          | <b>209,001</b>                       | 207,247                                |
| Other non-current financial assets             |             | <b>58,047</b>                        | 93,319                                 |
| Long-term bank deposits                        | 15          | <b>70,962</b>                        | 73,271                                 |
| Deferred income tax assets                     |             | <b>29,550</b>                        | 34,539                                 |
|                                                |             | <b>13,824,444</b>                    | 14,359,805                             |
| <b>Current assets</b>                          |             |                                      |                                        |
| Inventories                                    |             | <b>463,442</b>                       | 374,735                                |
| Trade accounts receivable                      | 17          | <b>934,742</b>                       | 597,111                                |
| VAT receivable                                 |             | <b>50,251</b>                        | 54,527                                 |
| Income tax prepaid                             |             | <b>27,744</b>                        | 62,515                                 |
| Other current non-financial assets             | 17          | <b>170,223</b>                       | 194,392                                |
| Loans and receivables due from related parties | 24          | <b>998,186</b>                       | 59,584                                 |
| Other current financial assets                 | 17          | <b>144,382</b>                       | 71,629                                 |
| Short-term bank deposits                       | 15          | <b>834,541</b>                       | 1,875,464                              |
| Cash and cash equivalents                      | 18          | <b>1,522,178</b>                     | 1,198,185                              |
|                                                |             | <b>5,145,689</b>                     | 4,488,142                              |
| Assets classified as held for sale             |             | <b>185</b>                           | 498                                    |
|                                                |             | <b>5,145,874</b>                     | 4,488,640                              |
| <b>Total assets</b>                            |             | <b>18,970,318</b>                    | 18,848,445                             |

*The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.*

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(continued)**

| <i>In millions of tenge</i>                                 | <b>Note</b> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-------------------------------------------------------------|-------------|--------------------------------------|----------------------------------------|
| <b>Equity and liabilities</b>                               |             |                                      |                                        |
| <b>Equity</b>                                               |             |                                      |                                        |
| Share capital                                               |             | 916,541                              | 916,541                                |
| Additional paid-in capital                                  |             | 1,142                                | 1,142                                  |
| Other equity                                                |             | (42,185)                             | 6,729                                  |
| Currency translation reserve                                |             | 4,474,739                            | 4,828,788                              |
| Retained earnings                                           |             | 7,184,205                            | 6,715,218                              |
| <b>Attributable to equity holders of the Parent Company</b> |             | <b>12,534,442</b>                    | <b>12,468,418</b>                      |
| Non-controlling interests                                   |             | (71,409)                             | (82,093)                               |
| <b>Total equity</b>                                         |             | <b>12,463,033</b>                    | <b>12,386,325</b>                      |
| <b>Non-current liabilities</b>                              |             |                                      |                                        |
| Borrowings                                                  | 19          | 3,000,696                            | 3,243,524                              |
| Lease liabilities                                           | 20          | 106,714                              | 112,295                                |
| Other non-current financial liabilities                     | 22          | 749                                  | 1,081                                  |
| Provisions                                                  | 21          | 263,316                              | 279,759                                |
| Employee benefit liabilities                                |             | 73,131                               | 71,225                                 |
| Other non-current non-financial liabilities                 | 22          | 56,742                               | 67,808                                 |
| Deferred income tax liabilities                             |             | 1,177,894                            | 1,274,036                              |
|                                                             |             | <b>4,679,242</b>                     | <b>5,049,728</b>                       |
| <b>Current liabilities</b>                                  |             |                                      |                                        |
| Trade accounts payable                                      | 22          | 677,904                              | 546,873                                |
| Borrowings                                                  | 19          | 410,305                              | 278,423                                |
| Lease liabilities                                           | 20          | 17,442                               | 16,677                                 |
| Other current financial liabilities                         | 22          | 300,219                              | 179,684                                |
| Provisions                                                  | 21          | 17,009                               | 17,111                                 |
| Employee benefit liabilities                                |             | 7,357                                | 7,625                                  |
| Income tax payable                                          |             | 78,741                               | 22,688                                 |
| Other taxes payable                                         | 23          | 197,733                              | 154,833                                |
| Other current non-financial liabilities                     | 22          | 121,333                              | 188,478                                |
|                                                             |             | <b>1,828,043</b>                     | <b>1,412,392</b>                       |
| <b>Total liabilities</b>                                    |             | <b>6,507,285</b>                     | <b>6,462,120</b>                       |
| <b>Total equity and liabilities</b>                         |             | <b>18,970,318</b>                    | <b>18,848,445</b>                      |
| <b>Book value per ordinary share* – tenge thousands</b>     |             | <b>19.068</b>                        | <b>18.857</b>                          |

\* The number of ordinary shares as of June 30, 2026 and December 31, 2025 equaled to 610,119,493. Book value per ordinary share is a non-IFRS measure required by KASE.

Deputy Chairman of the Management Board

Chief accountant



D.A. Aryssova

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

| <i>In millions of tenge</i>                                                                                             | Note   | For the six months ended<br>June 30, |                     |
|-------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------|---------------------|
|                                                                                                                         |        | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <b>Cash flows from operating activities</b>                                                                             |        |                                      |                     |
| <b>Profit before income tax</b>                                                                                         |        | <b>1,158,898</b>                     | <b>706,877</b>      |
| <b>Adjustments:</b>                                                                                                     |        |                                      |                     |
| Depreciation, depletion and amortisation                                                                                |        | <b>378,242</b>                       | 353,002             |
| (Recovery of impairment)/impairment of property, plant and equipment and exploration expenses                           | 11     | (275)                                | 19,463              |
| Realised losses from derivatives on petroleum products                                                                  | 7      | 61,046                               | 3,244               |
| Interest income calculated using the effective interest method                                                          | 12     | (103,792)                            | (93,669)            |
| Other finance income                                                                                                    | 12     | (6,790)                              | (27,162)            |
| Finance costs                                                                                                           | 12     | 144,704                              | 164,013             |
| Share in profit of joint ventures and associates, net                                                                   | 5      | (536,781)                            | (348,737)           |
| Movements in provisions                                                                                                 |        | –                                    | 5,458               |
| Net foreign exchange losses, net                                                                                        | 2      | 79,169                               | 22,728              |
| Gain from disposal of subsidiary                                                                                        |        | –                                    | (3,000)             |
| Write off/(recovery of) inventories to net realizable value                                                             | 7      | 2,957                                | (5,349)             |
| Loss on disposal of property, plant and equipment, intangible assets, investment property and assets held for sale, net |        | 7,918                                | 722                 |
| Expected credit loss                                                                                                    |        | 12,029                               | 3,976               |
| Other adjustments                                                                                                       |        | 7,960                                | 8,805               |
| <b>Operating profit before working capital changes</b>                                                                  |        | <b>1,205,285</b>                     | <b>810,371</b>      |
| Change in VAT receivable                                                                                                |        | 14,446                               | 362                 |
| Change in inventory                                                                                                     |        | (125,919)                            | 56,620              |
| Change in trade accounts receivable and other current assets                                                            |        | (462,147)                            | (298,666)           |
| Change in trade and other payables and contract liabilities                                                             |        | 155,387                              | (18,399)            |
| Change in other taxes payable                                                                                           |        | 46,054                               | 84,707              |
| <b>Cash generated from operating activities</b>                                                                         |        | <b>833,106</b>                       | <b>634,995</b>      |
| Dividends received from joint ventures and associates                                                                   | 16     | 500,085                              | 474,356             |
| Income taxes paid                                                                                                       |        | (125,281)                            | (119,771)           |
| Interest received                                                                                                       |        | 89,130                               | 90,344              |
| Interest paid                                                                                                           | 19, 20 | (109,919)                            | (135,939)           |
| <b>Net cash flow from operating activities</b>                                                                          |        | <b>1,187,121</b>                     | <b>943,985</b>      |

The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

|                                                                                                                 |      | For the six months ended<br>June 30, |                     |
|-----------------------------------------------------------------------------------------------------------------|------|--------------------------------------|---------------------|
| <i>In millions of tenge</i>                                                                                     | Note | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <b>Cash flows from investing activities</b>                                                                     |      |                                      |                     |
| Placement of bank deposits                                                                                      |      | (807,449)                            | (1,256,141)         |
| Withdrawal of bank deposits                                                                                     |      | 1,757,689                            | 1,528,055           |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets              |      | (422,308)                            | (262,229)           |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale |      | 208                                  | 4,266               |
| Additional contributions to joint ventures without changes in ownership                                         | 16   | (34,682)                             | (30,967)            |
| Proceeds from disposal of subsidiaries, net of cash disposed                                                    |      | –                                    | 1,163               |
| Loans given to related parties                                                                                  |      | (328)                                | (20,898)            |
| Repayment of loans due from related parties                                                                     |      | 865                                  | 610                 |
| Proceeds from sale of notes of the National Bank of RK                                                          | 24   | 231,475                              | 269,686             |
| Acquisition of notes of the National Bank of RK                                                                 | 24   | (217,778)                            | (255,895)           |
| Proceeds from bonds redemption of Samruk-Kazyna                                                                 |      | –                                    | 10,000              |
| Acquisition of bonds of Samruk-Kazyna                                                                           | 24   | (951,550)                            | (10,000)            |
| Other                                                                                                           |      | 1,547                                | (2,998)             |
| <b>Net cash flows used in investing activities</b>                                                              |      | <b>(442,311)</b>                     | <b>(25,348)</b>     |
| <b>Cash flows from financing activities</b>                                                                     |      |                                      |                     |
| Proceeds from borrowings                                                                                        | 19   | 102,292                              | 211,817             |
| Repayment of borrowings                                                                                         | 19   | (76,856)                             | (251,990)           |
| Dividends paid to shareholders                                                                                  | 24   | (350,001)                            | (300,002)           |
| Dividends paid to non-controlling interests                                                                     |      | (4,540)                              | (3,311)             |
| Distributions to Samruk-Kazyna                                                                                  |      | (376)                                | (3)                 |
| Proceeds from the repo agreements                                                                               |      | –                                    | 30,739              |
| Other operations                                                                                                |      | –                                    | (4,292)             |
| Repayment of principal portion of lease liabilities                                                             | 20   | (13,820)                             | (15,103)            |
| Other                                                                                                           |      | 26                                   | (48)                |
| <b>Net cash flows used in financing activities</b>                                                              |      | <b>(343,275)</b>                     | <b>(332,193)</b>    |
| Effects of exchange rate changes on cash and cash equivalents                                                   |      | (77,517)                             | (2,273)             |
| Change in allowance for expected credit losses                                                                  |      | (25)                                 | 5                   |
| <b>Net change in cash and cash equivalents</b>                                                                  |      | <b>323,993</b>                       | <b>584,176</b>      |
| Cash and cash equivalents, at the beginning of the period                                                       |      | 1,198,185                            | 1,216,451           |
| <b>Cash and cash equivalents, at the end of the period</b>                                                      |      | <b>1,522,178</b>                     | <b>1,800,627</b>    |

Deputy Chairman of the Management Board



D.A. Aryssova

Chief accountant

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six months ended June 30, 2026

| In millions of tenge              | Attributable to equity holders of the Parent Company |                            |              |                              |                   | Non-controlling interests | Total     |            |
|-----------------------------------|------------------------------------------------------|----------------------------|--------------|------------------------------|-------------------|---------------------------|-----------|------------|
|                                   | Share capital                                        | Additional paid-in capital | Other equity | Currency translation reserve | Retained earnings |                           |           |            |
| As at December 31, 2024 (audited) | 916,541                                              | 1,142                      | (2,373)      | 5,132,868                    | 5,985,894         | 12,034,072                | (109,788) | 11,924,284 |
| Net profit/(loss) for the period  | –                                                    | –                          | –            | –                            | 535,997           | 535,997                   | (1,620)   | 534,377    |
| Other comprehensive (loss)/income | –                                                    | –                          | (2,900)      | (95,291)                     | 1,478             | (96,713)                  | 22        | (96,691)   |
| Total comprehensive income/(loss) | –                                                    | –                          | (2,900)      | (95,291)                     | 537,475           | 439,284                   | (1,598)   | 437,686    |
| Dividends (Note 24)               | –                                                    | –                          | –            | –                            | (300,002)         | (300,002)                 | (3,630)   | (303,632)  |
| Distributions to Samruk-Kazyna    | –                                                    | –                          | –            | –                            | (4,187)           | (4,187)                   | –         | (4,187)    |
| As at June 30, 2025 (unaudited)   | 916,541                                              | 1,142                      | (5,273)      | 5,037,577                    | 6,219,180         | 12,169,167                | (115,016) | 12,054,151 |

*The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.*

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

| <i>In millions of tenge</i>              | Attributable to equity holders of the Parent Company |                            |                 |                              |                   | Total             | Non-controlling interests | Total             |
|------------------------------------------|------------------------------------------------------|----------------------------|-----------------|------------------------------|-------------------|-------------------|---------------------------|-------------------|
|                                          | Share capital                                        | Additional paid-in capital | Other equity    | Currency translation reserve | Retained earnings |                   |                           |                   |
| <b>As at December 31, 2025 (audited)</b> | <b>916,541</b>                                       | <b>1,142</b>               | <b>6,729</b>    | <b>4,828,788</b>             | <b>6,715,218</b>  | <b>12,468,418</b> | <b>(82,093)</b>           | <b>12,386,325</b> |
| Net profit for the period                | -                                                    | -                          | -               | -                            | 887,574           | 887,574           | 16,199                    | 903,773           |
| Other comprehensive (loss)/income        | -                                                    | -                          | (48,914)        | (354,049)                    | 26                | (402,937)         | (284)                     | (403,221)         |
| <b>Total comprehensive (loss)/income</b> | <b>-</b>                                             | <b>-</b>                   | <b>(48,914)</b> | <b>(354,049)</b>             | <b>887,600</b>    | <b>484,637</b>    | <b>15,915</b>             | <b>500,552</b>    |
| Dividends (Note 24)                      | -                                                    | -                          | -               | -                            | (350,001)         | (350,001)         | (5,231)                   | (355,232)         |
| Distributions to Samruk-Kazyna           | -                                                    | -                          | -               | -                            | (5)               | (5)               | -                         | (5)               |
| Operations with Samruk-Kazyna (Note 24)  | -                                                    | -                          | -               | -                            | (68,607)          | (68,607)          | -                         | (68,607)          |
| <b>As at June 30, 2026 (unaudited)</b>   | <b>916,541</b>                                       | <b>1,142</b>               | <b>(42,185)</b> | <b>4,474,739</b>             | <b>7,184,205</b>  | <b>12,534,442</b> | <b>(71,409)</b>           | <b>12,463,033</b> |

Deputy Chairman of the Management Board

Chief accountant



D.A. Aryssova

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 37 form an integral part of these interim condensed consolidated financial statements.



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited)**

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**1. GENERAL**

KazMunayGas National Company Joint-Stock Company (further the Company, KazMunayGas NC JSC or Parent Company) is an oil and gas enterprise of the Republic of Kazakhstan (further RK), which was established on February 27, 2002 as a closed joint stock company pursuant to the Decree No. 811 of the President of the RK dated February 20, 2002 and the resolution of the Government of the RK (further the Government) No. 248 dated February 25, 2002. The Company was formed as a result of the merger of closed joint stock companies “National Oil and Gas Company Kazakhoil” and “National Company Transport Nefti i Gaza”. As a result of the merger, all assets and liabilities, including ownership interests in all entities owned by these companies, have been transferred to the Company. The Company was re-registered as a joint stock company in accordance with the legislation of the RK in March 2004.

Starting from June 8, 2006, the sole shareholder of the Company was joint stock company “Kazakhstan Holding Company for State Assets Management “Samruk”, which in October 2008 was merged with the state-owned Sustainable Development Fund “Kazyna” and formed a joint stock company “National Welfare Fund Samruk-Kazyna”, now renamed to joint stock company “Sovereign Wealth Fund Samruk-Kazyna” (further Samruk-Kazyna). The Government is the sole shareholder of Samruk Kazyna.

On August 7, 2015, the National Bank of RK purchased 9.58% plus one share of the Company from Samruk-Kazyna. From December 8, 2022, 3.00% of shares of the Company are freely available on the Astana International Exchange (further AIX) and the Kazakhstan Stock Exchange (further KASE) stock exchanges. On December 22, 2023, 20.00% of the Company’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the RK.

As at June 30, 2026, the Company has controlling interest in 39 companies (as of December 31, 2025: 38 companies), joint control over 23 companies (as of December 31, 2025: 23 companies) and significant influence on 3 companies (as of December 31, 2025: 3 companies) (jointly “the Group”).

The Company has its registered office in RK, Astana, Dinmukhamed Kunayev, 8.

The principal activity of the Group includes, but is not limited, to the following:

- Participation in the development and implementation of a unified state policy in the oil and gas sector;
- Representation of the State’s interests in subsoil use contracts through equity participation in such contracts; and
- Exploration, development and production, provision of oilfield services, refining and petrochemical, transportation and sale of hydrocarbons and the designing, construction and operation of oil pipelines and oil gas infrastructure.

The interim condensed consolidated financial statements comprise the financial statements of the Company, its controlled subsidiaries and Company’s share in results of joint ventures and associates.

These interim condensed consolidated financial statements of the Group were approved for issue by the Deputy Chairman of the Management Board and the Chief accountant on 12 August, 2026.

**2. BASIS OF PREPARATION**

The interim condensed consolidated financial statements for the six months ended June 30, 2026, have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The Group has prepared these interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern. The Management of the Group considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended December 31, 2025.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)**

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**2. BASIS OF PREPARATION (continued)****Foreign currency translation***Functional and presentation currency*

Items included in the financial statements of each of the Group's entities included in these interim condensed consolidated financial statements are measured using the currency of the primary economic environment in which the entities operate (further the functional currency). The interim condensed consolidated financial statements are presented in Kazakhstan tenge (further tenge or KZT), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

*Group companies*

The results and financial position of all of the Group's subsidiaries, joint ventures and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognised as a separate component of other comprehensive income.

*Exchange rates*

Weighted average currency exchange rates established by KASE are used as official currency exchange rates in the RK. The currency exchange rates of KASE as at June 30, 2026 and December 31, 2025 were 480.72 and 505.53 tenge to 1 United States dollar (further US dollar), respectively. These rates were used to translate monetary assets and liabilities denominated in US dollar as at June 30, 2026 and December 31, 2025. The weighted average rate for six months ended June 30, 2026 was 486.20 tenge to 1 US dollar (for the six months ended June 30, 2025: 512.05 tenge to 1 US dollar). The currency exchange rate of KASE as at 12 August, 2026 was 465.19 tenge to 1 US dollar. For the six months ended June 30, 2026, the Group had net foreign exchange loss of 79,169 million tenge due to fluctuations in foreign exchange rates to tenge.

**3. MATERIAL ACCOUNTING POLICY INFORMATION****Changes in accounting policies and disclosures***New and amended standards and interpretations*

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025.

The adoption of new standards and interpretations effective as of January 1, 2026, has no material impact on the Group.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****4. REVENUE FROM CONTRACTS WITH CUSTOMERS**

|                                      | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|--------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                      | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>          |                                        |                     |                                      |                     |
| <b>Type of goods and services</b>    |                                        |                     |                                      |                     |
| Sales of crude oil and gas           | 1,605,443                              | 1,125,537           | 2,977,833                            | 2,375,124           |
| Sales of refined products            | 1,146,815                              | 875,201             | 1,994,849                            | 1,630,803           |
| Oil transportation services          | 128,504                                | 63,256              | 202,196                              | 120,412             |
| Refining of oil and oil products     | 67,595                                 | 60,300              | 135,479                              | 125,193             |
| Other revenue                        | 138,481                                | 134,949             | 257,397                              | 248,962             |
|                                      | <b>3,086,838</b>                       | <b>2,259,243</b>    | <b>5,567,754</b>                     | <b>4,500,494</b>    |
| <b>Geographical markets</b>          |                                        |                     |                                      |                     |
| UAE                                  | 1,156,186                              | 564,243             | 1,676,369                            | 1,135,446           |
| Kazakhstan                           | 596,776                                | 503,263             | 1,101,768                            | 934,740             |
| Romania                              | 529,803                                | 352,391             | 909,604                              | 643,824             |
| Switzerland                          | 246,290                                | 362,575             | 544,347                              | 814,428             |
| Germany                              | 151,924                                | 143,360             | 401,085                              | 294,953             |
| The Netherlands                      | 17,609                                 | 135,687             | 264,964                              | 344,999             |
| Other countries                      | 388,250                                | 197,724             | 669,617                              | 332,104             |
|                                      | <b>3,086,838</b>                       | <b>2,259,243</b>    | <b>5,567,754</b>                     | <b>4,500,494</b>    |
| <b>Timing of revenue recognition</b> |                                        |                     |                                      |                     |
| At a point in time                   | 3,013,944                              | 2,182,746           | 5,429,581                            | 4,366,995           |
| Over time                            | 72,894                                 | 76,497              | 138,173                              | 133,499             |
|                                      | <b>3,086,838</b>                       | <b>2,259,243</b>    | <b>5,567,754</b>                     | <b>4,500,494</b>    |

For six months ended June 30, 2026, major customers of the Group consisted of three counterparties for the sales of crude oil, gas and refined products, which comprised up to 25%, 7% and 5% accordingly of total revenues of the Group (for six months ended June 30, 2025: two counterparties up to 25% and 14%, respectively).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****5. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET**

|                                        | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|----------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                        | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>            |                                        |                     |                                      |                     |
| <b>Joint ventures</b>                  |                                        |                     |                                      |                     |
| Tengizchevroil LLP                     | 262,708                                | 69,094              | 369,250                              | 160,192             |
| Mangistau Investments B.V. Group (MMG) | 16,022                                 | 15,350              | 40,684                               | 35,220              |
| KC Energy Group LLP                    | 13,623                                 | 20,102              | 28,312                               | 35,002              |
| Kazgermunai LLP                        | 6,617                                  | 5,321               | 11,267                               | 10,271              |
| Kazakhstan – China Pipeline LLP        | 3,762                                  | 4,064               | 7,929                                | 9,193               |
| Ural Group Limited                     | 4,261                                  | 2,381               | 7,722                                | 3,083               |
| Kazakhoil-Aktobe LLP                   | 2,092                                  | (1,040)             | 4,144                                | 426                 |
| Valsera Holdings B.V. Group (PKOP)     | (2,435)                                | 1,979               | 2,681                                | 11,687              |
| KazRosGas LLP                          | 1,741                                  | 5,645               | 1,850                                | 1,329               |
| Other                                  | (3,540)                                | (1,799)             | (423)                                | (2,677)             |
|                                        | <b>304,851</b>                         | <b>121,097</b>      | <b>473,416</b>                       | <b>263,726</b>      |
| <b>Associates</b>                      |                                        |                     |                                      |                     |
| Caspian Pipeline Consortium            | 26,973                                 | 38,002              | 50,662                               | 78,600              |
| PetroKazakhstan Inc.                   | 6,233                                  | 3,617               | 8,544                                | 5,463               |
| Other                                  | 3,126                                  | 628                 | 4,159                                | 948                 |
|                                        | <b>36,332</b>                          | <b>42,247</b>       | <b>63,365</b>                        | <b>85,011</b>       |
|                                        | <b>341,183</b>                         | <b>163,344</b>      | <b>536,781</b>                       | <b>348,737</b>      |

**6. COST OF PURCHASED OIL, GAS, PETROLEUM PRODUCTS AND OTHER MATERIALS**

|                                         | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-----------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                         | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>             |                                        |                     |                                      |                     |
| Purchased oil for resale                | 1,249,949                              | 847,732             | 2,092,262                            | 1,810,780           |
| Cost of oil for refining                | 246,600                                | 189,937             | 408,026                              | 333,191             |
| Materials and supplies                  | 169,397                                | 130,680             | 329,046                              | 229,301             |
| Purchased petroleum products for resale | 112,652                                | 42,568              | 189,459                              | 53,498              |
|                                         | <b>1,778,598</b>                       | <b>1,210,917</b>    | <b>3,018,793</b>                     | <b>2,426,770</b>    |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****7. PRODUCTION EXPENSES**

|                                                                             | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-----------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                             | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>                                                 |                                        |                     |                                      |                     |
| Payroll                                                                     | 158,637                                | 162,885             | 310,799                              | 313,700             |
| Repair and maintenance                                                      | 77,141                                 | 76,572              | 135,456                              | 136,917             |
| Tanker chartering                                                           | 58,328                                 | 13,833              | 87,667                               | 32,848              |
| Energy                                                                      | 47,106                                 | 43,237              | 87,344                               | 83,020              |
| Transportation costs                                                        | 41,380                                 | 33,051              | 79,486                               | 62,282              |
| Realised losses from derivatives on<br>petroleum products                   | 24,629                                 | 2,120               | 61,046                               | 3,244               |
| Social contributions                                                        | 7,521                                  | 5,609               | 15,090                               | 11,001              |
| Environmental protection                                                    | 9,034                                  | 5,207               | 12,176                               | 8,835               |
| Security expenses                                                           | 4,390                                  | 4,387               | 8,444                                | 8,707               |
| Lease expenses                                                              | 2,516                                  | 1,793               | 5,047                                | 3,360               |
| Write off/(recovery of write off) of<br>inventories to net realisable value | 10,306                                 | (2,894)             | 3,015                                | (5,565)             |
| Change in finished goods and work-in-<br>progress                           | (50,856)                               | 15,908              | (67,785)                             | 32,419              |
| Others                                                                      | 40,503                                 | 34,922              | 75,464                               | 68,008              |
|                                                                             | <b>430,635</b>                         | <b>396,630</b>      | <b>813,249</b>                       | <b>758,776</b>      |

**8. TAXES OTHER THAN INCOME TAX**

|                              | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                              | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>  |                                        |                     |                                      |                     |
| Excise                       | 47,398                                 | 35,969              | 94,289                               | 70,842              |
| Rent tax on crude oil export | 54,250                                 | 24,759              | 83,270                               | 55,657              |
| Mineral extraction tax       | 42,799                                 | 15,598              | 66,399                               | 41,873              |
| Export customs duty          | 32,869                                 | 27,023              | 52,345                               | 54,149              |
| Social tax                   | 11,414                                 | 14,163              | 23,322                               | 28,857              |
| Property tax                 | 9,578                                  | 8,542               | 18,697                               | 16,410              |
| Turnover tax                 | 5,212                                  | 3,688               | 8,811                                | 7,890               |
| Other taxes                  | 3,466                                  | 2,902               | 6,745                                | 6,253               |
|                              | <b>206,986</b>                         | <b>132,644</b>      | <b>353,878</b>                       | <b>281,931</b>      |

**9. TRANSPORTATION AND SELLING EXPENSES**

|                             | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-----------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                             | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i> |                                        |                     |                                      |                     |
| Transportation              | 58,916                                 | 51,639              | 123,261                              | 106,060             |
| Payroll                     | 6,138                                  | 5,795               | 12,430                               | 11,381              |
| Third party services        | 5,221                                  | 4,960               | 8,544                                | 7,529               |
| Maintenance                 | 2,860                                  | 2,660               | 5,820                                | 5,174               |
| Other                       | 8,023                                  | 9,236               | 17,280                               | 15,539              |
|                             | <b>81,158</b>                          | <b>74,290</b>       | <b>167,335</b>                       | <b>145,683</b>      |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****10. GENERAL AND ADMINISTRATIVE EXPENSES**

| <i>In millions of tenge</i>                           | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                       | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| Payroll                                               | 23,223                                 | 21,971              | 46,942                               | 43,280              |
| Consulting services                                   | 3,444                                  | 1,482               | 6,286                                | 5,934               |
| Social payments                                       | 2,412                                  | 2,272               | 4,817                                | 4,423               |
| Maintenance                                           | 2,206                                  | 1,699               | 4,265                                | 3,986               |
| VAT that could not be offset                          | 714                                    | 2,229               | 942                                  | 4,470               |
| (Reversal)/accrual of impairment of VAT<br>receivable | (7)                                    | 1,135               | (868)                                | 3,759               |
| Other                                                 | 18,065                                 | 18,067              | 33,527                               | 28,400              |
|                                                       | <b>50,057</b>                          | <b>48,855</b>       | <b>95,911</b>                        | <b>94,252</b>       |

For the six months ended June 30, 2026, the total payroll amounted to 370,171 million tenge (for the six months ended June 30, 2025: 368,361 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in these interim condensed consolidated financial statements.

**11. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND EXPLORATION EXPENSES**

As part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, in 2023 Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group estimated that the recoverable amount of this property was nil and, accordingly, recognised an impairment charge for construction costs incurred for the six months ended June 30, 2025, in the amount of 20,605 million tenge. Construction of the plant was completed in 2025. More detailed information is disclosed in the consolidated financial statements of the Group for 2025.

**12. INTEREST INCOME, OTHER FINANCE INCOME / FINANCE COST****Interest income calculated using the effective interest method**

| <i>In millions of tenge</i>                                            | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                        | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| Interest income on bank deposits, financial<br>assets, loans and bonds | 52,048                                 | 49,936              | 95,906                               | 93,092              |
| Other                                                                  | 4,078                                  | 300                 | 7,886                                | 577                 |
|                                                                        | <b>56,126</b>                          | <b>50,236</b>       | <b>103,792</b>                       | <b>93,669</b>       |

**Other finance income**

| <i>In millions of tenge</i>                                                                       | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|---------------------------------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                                                   | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| Derecognition of borrowings (Note 19)                                                             | –                                      | 24,405              | –                                    | 24,405              |
| Revaluation of financial assets at fair value<br>through profit or loss                           | 244                                    | 771                 | 517                                  | 1,023               |
| Recognition of a change in the fair value of<br>a financial instrument due to its<br>modification | 102                                    | –                   | 4,017                                | –                   |
| Other                                                                                             | 1,154                                  | 884                 | 2,256                                | 1,734               |
|                                                                                                   | <b>1,500</b>                           | <b>26,060</b>       | <b>6,790</b>                         | <b>27,162</b>       |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****12. INTEREST INCOME, OTHER FINANCE INCOME / FINANCE COST (continued)****Finance costs**

|                                                                                                                      | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                                                                      | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>                                                                                          |                                        |                     |                                      |                     |
| Interest expense on loans and bonds<br>(Note 19)                                                                     | 58,878                                 | 69,641              | 119,640                              | 139,510             |
| Interest expense on lease liabilities<br>(Note 20)                                                                   | 2,364                                  | 2,356               | 4,791                                | 4,618               |
| <b>Interest expense</b>                                                                                              | <b>61,242</b>                          | <b>71,997</b>       | <b>124,431</b>                       | <b>144,128</b>      |
| Unwinding of discount on asset retirement<br>obligations, environmental obligation and<br>other provisions (Note 21) | 4,215                                  | 5,350               | 9,466                                | 10,163              |
| Unwinding of discount on employee<br>benefits obligations                                                            | 2,132                                  | 1,917               | 3,820                                | 3,306               |
| Other                                                                                                                | 4,354                                  | 3,026               | 6,987                                | 6,416               |
|                                                                                                                      | <b>71,943</b>                          | <b>82,290</b>       | <b>144,704</b>                       | <b>164,013</b>      |

**13. INCOME TAX EXPENSES**

|                                                     | For the three months<br>ended June 30, |                     | For the six months<br>ended June 30, |                     |
|-----------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                     | 2026<br>(unaudited)                    | 2025<br>(unaudited) | 2026<br>(unaudited)                  | 2025<br>(unaudited) |
| <i>In millions of tenge</i>                         |                                        |                     |                                      |                     |
| <b>Current income tax</b>                           |                                        |                     |                                      |                     |
| Corporate income tax                                | 115,385                                | 57,045              | 209,392                              | 134,608             |
| Withholding tax on dividends and interest<br>income | 78,988                                 | 42,028              | 79,438                               | 64,973              |
| Alternative mineral extraction tax                  | 34                                     | 1,120               | (862)                                | 1,120               |
| Excess profit tax                                   | 554                                    | 235                 | 554                                  | 235                 |
| <b>Deferred income tax</b>                          |                                        |                     |                                      |                     |
| Corporate income tax (benefit)/expenses             | (6,158)                                | 4,907               | (11,555)                             | 1,826               |
| Alternative mineral extraction tax                  | –                                      | 4,060               | –                                    | 4,060               |
| Withholding tax on dividends                        | (40,192)                               | (29,590)            | (21,842)                             | (34,322)            |
| <b>Income tax expenses</b>                          | <b>148,611</b>                         | <b>79,805</b>       | <b>255,125</b>                       | <b>172,500</b>      |

Interim period income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate applied for the six months ended June 30, 2026, is 22% (the estimated tax rate for the six months ended June 30, 2025, was 24%).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****14. PROPERTY, PLANT AND EQUIPMENT**

| <i>In millions of tenge</i>                                 | <b>Oil and gas<br/>assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and improve-<br/>ments</b> | <b>Machinery<br/>and equip-<br/>ment</b> | <b>Vehicles</b> | <b>Other</b>   | <b>Construc-<br/>tion in<br/>progress</b> | <b>Total</b>     |
|-------------------------------------------------------------|-------------------------------|------------------|----------------------------|---------------------------------------------|------------------------------------------|-----------------|----------------|-------------------------------------------|------------------|
| <b>Net book value as at December 31, 2024<br/>(audited)</b> | <b>5,100,550</b>              | <b>253,685</b>   | <b>1,054,588</b>           | <b>267,484</b>                              | <b>402,833</b>                           | <b>84,067</b>   | <b>127,218</b> | <b>543,735</b>                            | <b>7,834,160</b> |
| Foreign currency translation                                | (46,194)                      | (495)            | (2,687)                    | (1,033)                                     | (605)                                    | (285)           | (999)          | (2,755)                                   | (55,053)         |
| Change in estimate for asset retirement obligations         | (8,651)                       | (166)            | (1,185)                    | (464)                                       | –                                        | –               | 5              | –                                         | (10,461)         |
| Additions                                                   | 9,926                         | 509              | 300                        | 1,686                                       | 4,530                                    | 3,747           | 1,047          | 225,104                                   | 246,849          |
| Disposals, net                                              | (782)                         | (409)            | (31)                       | (15)                                        | (905)                                    | (6)             | (238)          | (93)                                      | (2,479)          |
| Depreciation charge                                         | (216,595)                     | (5,537)          | (56,318)                   | (7,478)                                     | (16,652)                                 | (7,740)         | (5,451)        | –                                         | (315,771)        |
| Loss of control over subsidiary                             | –                             | –                | –                          | (944)                                       | (21)                                     | –               | (9)            | –                                         | (974)            |
| (Impairment)/reversal of impairment<br>(Note 11)            | (17)                          | –                | 2,297                      | –                                           | 5                                        | (46)            | –              | (21,018)                                  | (18,779)         |
| Transfers from/(to) investment property                     | –                             | –                | 17                         | 3,582                                       | –                                        | –               | (9)            | –                                         | 3,590            |
| Other changes                                               | 28                            | 400              | 136                        | (1)                                         | 2                                        | (1)             | 1,130          | (819)                                     | 875              |
| Transfers                                                   | 96,166                        | 49,226           | 26,502                     | 11,222                                      | 5,767                                    | 139             | 2,440          | (191,462)                                 | –                |
| <b>Net book value as at June 30, 2025<br/>(unaudited)</b>   | <b>4,934,431</b>              | <b>297,213</b>   | <b>1,023,619</b>           | <b>274,039</b>                              | <b>394,954</b>                           | <b>79,875</b>   | <b>125,134</b> | <b>552,692</b>                            | <b>7,681,957</b> |
| At cost                                                     | 8,671,047                     | 472,020          | 3,212,560                  | 687,378                                     | 836,475                                  | 262,436         | 293,780        | 725,587                                   | 15,161,283       |
| Accumulated depreciation and impairment                     | (3,736,616)                   | (174,807)        | (2,188,941)                | (413,339)                                   | (441,521)                                | (182,561)       | (168,646)      | (172,895)                                 | (7,479,326)      |
| <b>Net book value as at June 30, 2025<br/>(unaudited)</b>   | <b>4,934,431</b>              | <b>297,213</b>   | <b>1,023,619</b>           | <b>274,039</b>                              | <b>394,954</b>                           | <b>79,875</b>   | <b>125,134</b> | <b>552,692</b>                            | <b>7,681,957</b> |



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****14. PROPERTY, PLANT AND EQUIPMENT (continued)**

| <i>In millions of tenge</i>                                     | <b>Oil and gas<br/>assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and improve-<br/>ments</b> | <b>Machinery<br/>and equip-<br/>ment</b> | <b>Vehicles</b>  | <b>Other</b>     | <b>Construc-<br/>tion in<br/>progress</b> | <b>Total</b>       |
|-----------------------------------------------------------------|-------------------------------|------------------|----------------------------|---------------------------------------------|------------------------------------------|------------------|------------------|-------------------------------------------|--------------------|
| <b>Net book value as at December 31,<br/>2025 (audited)</b>     | <b>4,787,068</b>              | <b>313,398</b>   | <b>1,020,500</b>           | <b>272,216</b>                              | <b>461,311</b>                           | <b>113,067</b>   | <b>132,557</b>   | <b>490,512</b>                            | <b>7,590,629</b>   |
| Foreign currency translation                                    | (187,097)                     | (2,061)          | (11,030)                   | (5,454)                                     | (6,065)                                  | (1,461)          | (4,769)          | (7,820)                                   | (225,757)          |
| Change in estimate of asset for asset<br>retirement obligations | (3,528)                       | (683)            | (4,856)                    | (854)                                       | —                                        | —                | —                | —                                         | (9,921)            |
| Additions                                                       | 9,346                         | 102              | 2,031                      | 2,145                                       | 3,504                                    | 4,462            | 2,223            | 214,691                                   | 238,504            |
| Disposals, net                                                  | (1,139)                       | —                | (20)                       | (157)                                       | (55)                                     | (12)             | (161)            | (55)                                      | (1,599)            |
| Depreciation charge                                             | (238,589)                     | (7,070)          | (56,424)                   | (7,933)                                     | (19,380)                                 | (7,096)          | (5,125)          | —                                         | (341,617)          |
| Reversal of impairment/(impairment)                             | —                             | 289              | (14)                       | —                                           | 19                                       | (4)              | 1                | (16)                                      | 275                |
| Transfers from/(to) investment property                         | —                             | —                | —                          | 1,163                                       | (2)                                      | —                | —                | —                                         | 1,161              |
| Other changes                                                   | (69)                          | —                | —                          | 417                                         | (62)                                     | (8)              | 34               | 1,018                                     | 1,330              |
| Transfers                                                       | 131,485                       | 983              | 11,608                     | 8,488                                       | 3,672                                    | 214              | 3,640            | (160,090)                                 | —                  |
| <b>Net book value as at June 30, 2026<br/>(unaudited)</b>       | <b>4,497,477</b>              | <b>304,958</b>   | <b>961,795</b>             | <b>270,031</b>                              | <b>442,942</b>                           | <b>109,162</b>   | <b>128,400</b>   | <b>538,240</b>                            | <b>7,253,005</b>   |
| At cost                                                         | <b>8,404,251</b>              | <b>486,333</b>   | <b>3,131,749</b>           | <b>670,987</b>                              | <b>902,377</b>                           | <b>291,450</b>   | <b>286,515</b>   | <b>620,960</b>                            | <b>14,794,622</b>  |
| Accumulated depreciation and impairment                         | <b>(3,906,774)</b>            | <b>(181,375)</b> | <b>(2,169,954)</b>         | <b>(400,956)</b>                            | <b>(459,435)</b>                         | <b>(182,288)</b> | <b>(158,115)</b> | <b>(82,720)</b>                           | <b>(7,541,617)</b> |
| <b>Net book value as at June 30, 2026<br/>(unaudited)</b>       | <b>4,497,477</b>              | <b>304,958</b>   | <b>961,795</b>             | <b>270,031</b>                              | <b>442,942</b>                           | <b>109,162</b>   | <b>128,400</b>   | <b>538,240</b>                            | <b>7,253,005</b>   |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****14. PROPERTY, PLANT AND EQUIPMENT (continued)**

For the six months ended June 30, 2026, additions to property, plant and equipment include capitalised borrowing costs in the amount of 505 million tenge at capitalisation rate of 9.35% (for the six months ended June 30, 2025: 5,018 million tenge at the capitalisation rate ranging from 5.04% to 19.50%).

As at June 30, 2026, the cost of fully depreciated but still in use property, plant and equipment was 454,002 million tenge (December 31, 2025: 451,934 million tenge).

As at June 30, 2026, property, plant and equipment with the net book value of 213,296 million tenge (December 31, 2025: 156,810 million tenge) were pledged as collateral to secure borrowings of the Group.

Capital commitments are disclosed in *Note 26*.

**15. BANK DEPOSITS**

| <i>In millions of tenge</i>                | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|--------------------------------------------|--------------------------------------|----------------------------------------|
| Denominated in US dollar                   | <b>899,030</b>                       | 1,943,314                              |
| Denominated in tenge                       | <b>6,593</b>                         | 5,624                                  |
| Denominated in other currency              | <b>54</b>                            | 54                                     |
| Less: allowance for expected credit losses | <b>(174)</b>                         | (257)                                  |
|                                            | <b>905,503</b>                       | 1,948,735                              |

As at June 30, 2026, the weighted average interest rate for long-term bank deposits was 2.90% in US dollars and 8.77% in tenge (December 31, 2025: 3.50% in US dollars and 7.75% in tenge).

As at June 30, 2026, the weighted average interest rate for short-term bank deposits was 4.28% in US dollars and 13.78% in tenge (December 31, 2025: 4.40% in US dollars and 4.51% in tenge).

Bank deposits have original maturities as detailed below:

| <i>In millions of tenge</i>      | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|----------------------------------|--------------------------------------|----------------------------------------|
| Maturities under 1 year          | <b>834,541</b>                       | 1,875,464                              |
| Maturities between 1 and 2 years | <b>1,843</b>                         | 1,793                                  |
| Maturities over 2 years          | <b>69,119</b>                        | 71,478                                 |
|                                  | <b>905,503</b>                       | 1,948,735                              |

As at June 30, 2026, bank deposits include those pledged as collateral with carrying value of 70,962 million tenge (December 31, 2025: 73,271 million tenge), which are represented mainly by 68,202 million tenge at restricted bank accounts designated as a liquidation fund per requirements of subsoil use contracts (December 31, 2025: 70,476 million tenge).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****16. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES**

| In millions of tenge                   | Main activity                                                                                           | Place of business          | June 30, 2026<br>(unaudited) |                      | December 31, 2025<br>(audited) |                      |
|----------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|----------------------|--------------------------------|----------------------|
|                                        |                                                                                                         |                            | Carrying value               | Percentage ownership | Carrying value                 | Percentage ownership |
| Joint ventures                         |                                                                                                         |                            |                              |                      |                                |                      |
| Tengizchevroil LLP (TCO) <sup>1</sup>  | Oil and gas exploration and production                                                                  | Kazakhstan                 | 3,121,689                    | 20.00%               | 3,449,897                      | 20.00%               |
| Mangistau Investments B.V. Group (MMG) | Oil and gas development and production                                                                  | Kazakhstan                 | 257,436                      | 50.00%               | 227,787                        | 50.00%               |
| Silleno LLP (Silleno) <sup>3</sup>     | Construction of the first integrated gas-chemical complex                                               | Kazakhstan                 | 118,352                      | 40.00%               | 108,049                        | 40.00%               |
| KALAMKAS-KHAZAR OPERATING LLP (KKO)    | Oil and gas development and production                                                                  | Kazakhstan                 | 83,020                       | 50.00%               | 84,370                         | 50.00%               |
| Kazakhstan-China Pipeline LLP (KCP)    | Oil transportation                                                                                      | Kazakhstan                 | 75,670                       | 50.00%               | 67,741                         | 50.00%               |
| Ural Group Limited (UGL)               | Oil and gas exploration and production                                                                  | Kazakhstan                 | 61,994                       | 50.00%               | 58,042                         | 50.00%               |
| Valsera Holdings B.V. Group (PKOP)     | Oil refining                                                                                            | Kazakhstan                 | 56,406                       | 50.00%               | 53,725                         | 50.00%               |
| KC Energy Group (KCEG) <sup>2</sup>    | Sale of liquefied gas and oil products                                                                  | Kazakhstan                 | 55,309                       | 49.00%               | 51,705                         | 49.00%               |
| Mangistau Power B.V.                   | Development and construction of Gas Power Plant                                                         | Kazakhstan/<br>Netherlands | 45,956                       | 49.00%               | 27,330                         | 49.00%               |
| KazRosGas LLP (KRG)                    | Processing and sale of natural gas<br>and refined gas products                                          | Kazakhstan                 | 44,731                       | 50.00%               | 48,347                         | 50.00%               |
| JV Kazgermunai LLP (KGM)               | Oil and gas exploration and production                                                                  | Kazakhstan                 | 31,413                       | 50.00%               | 31,431                         | 50.00%               |
| MunaiTas LLP                           | Oil transportation                                                                                      | Kazakhstan                 | 28,293                       | 51.00%               | 25,366                         | 51.00%               |
| Kazakhoil-Aktobe LLP (KOA)             | Production and sale of crude oil                                                                        | Kazakhstan                 | 27,040                       | 50.00%               | 22,896                         | 50.00%               |
| Karaton Operating Ltd. (Karaton)       | Oil and gas development and production                                                                  | Kazakhstan                 | 8,467                        | 50.00%               | 8,284                          | 50.00%               |
| Teniz Service LLP (Teniz Service)      | Design, construction and operation of infrastructure facilities,<br>and offshore oil operations support | Kazakhstan                 | 4,260                        | 48.996%              | 3,727                          | 48.996%              |
| Other                                  |                                                                                                         |                            | 55,163                       |                      | 41,237                         |                      |
| Associates                             |                                                                                                         |                            |                              |                      |                                |                      |
| Caspian Pipeline Consortium (CPC)      | Transportation of liquid hydrocarbons                                                                   | Kazakhstan/<br>Russia      | 484,769                      | 20.75%               | 493,443                        | 20.75%               |
| PetroKazakhstan Inc. (PKI)             | Exploration, production and processing of hydrocarbons                                                  | Kazakhstan                 | 63,663                       | 33.00%               | 68,172                         | 33.00%               |
| Other                                  |                                                                                                         |                            | 63,456                       |                      | 62,413                         |                      |
|                                        |                                                                                                         |                            | 4,687,087                    |                      | 4,933,962                      |                      |

<sup>1</sup>The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.<sup>2</sup>The share of 49% provides the Group the joint control over KC Energy Group LLP where decisions about the relevant activities require unanimous consent.<sup>3</sup>The share of 40% provides the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****16. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

All of the above joint ventures and associates are strategic for the Group's business.

As at June 30, 2026, the Group's share in unrecognised losses of joint ventures and associates was equal to 138,714 million tenge (December 31, 2025: 149,388 million tenge).

The following table summarises the movements in the investments of joint ventures and associates during the six months ended June 30:

| <i>In millions of tenge</i>                                     | <b>2026<br/>(unaudited)</b> | <b>2025<br/>(unaudited)</b> |
|-----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>On January 1 (audited)</b>                                   | <b>4,933,962</b>            | 5,378,513                   |
| Share in profits of joint ventures and associates, net (Note 5) | <b>536,781</b>              | 348,737                     |
| Recognition of investment                                       | <b>8,072</b>                | 792                         |
| Dividends received                                              | <b>(500,085)</b>            | (474,356)                   |
| Change in dividends receivable, including withholding tax       | <b>(125,410)</b>            | (67,908)                    |
| Other changes in the equity of the joint venture                | <b>6,295</b>                | 693                         |
| Additional contributions without change in ownership            | <b>34,682</b>               | 30,967                      |
| Eliminations and adjustments*                                   | <b>(207)</b>                | –                           |
| Foreign currency translation                                    | <b>(207,003)</b>            | (55,104)                    |
| <b>On June 30 (unaudited)</b>                                   | <b>4,687,087</b>            | 5,162,334                   |

\* Equity method eliminations and adjustments represent capitalised borrowing costs on the loans provided by the Company and subsidiaries to joint ventures.

For the six months ended June 30, 2026 the Group received dividends from joint ventures and associates in the total amount of 500,085 million tenge, including mainly from joint ventures TCO and MMG in the amounts of 441,152 million tenge and 11,061 million tenge accordingly.

**17. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS**

| <i>In millions of tenge</i>                | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|--------------------------------------------|--------------------------------------|----------------------------------------|
| <b>Trade accounts receivable</b>           |                                      |                                        |
| Trade accounts receivable                  | <b>976,730</b>                       | 632,365                                |
| Less: allowance for expected credit losses | <b>(41,988)</b>                      | (35,254)                               |
| <b>Total trade accounts receivable</b>     | <b>934,742</b>                       | 597,111                                |
| <b>Other current financial assets</b>      |                                      |                                        |
| Other receivables                          | <b>140,096</b>                       | 114,069                                |
| Dividends receivable                       | <b>51,604</b>                        | 3,512                                  |
| Less: allowance for expected credit losses | <b>(47,318)</b>                      | (45,952)                               |
|                                            | <b>144,382</b>                       | 71,629                                 |
| <b>Other current non-financial assets</b>  |                                      |                                        |
| Advances paid and prepaid expenses         | <b>106,013</b>                       | 128,761                                |
| Taxes receivable, other than VAT           | <b>46,223</b>                        | 54,391                                 |
| Other                                      | <b>18,147</b>                        | 11,400                                 |
| Less: impairment allowance                 | <b>(160)</b>                         | (160)                                  |
|                                            | <b>170,223</b>                       | 194,392                                |
| <b>Total other current assets</b>          | <b>314,605</b>                       | 266,021                                |

As at June 30, 2026, and December 31, 2025, the above assets were non-interest bearing.

As at June 30, 2026, trade accounts receivable of 267,799 million tenge are pledged as collateral (December 31, 2025: 174,372 million tenge).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****17. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)**

As of June 30, 2026, and December 31, 2025, trade accounts receivable are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------|--------------------------------------|----------------------------------------|
| US dollars                  | <b>494,564</b>                       | 262,642                                |
| Tenge                       | <b>341,749</b>                       | 244,424                                |
| Romanian Leu                | <b>92,106</b>                        | 80,780                                 |
| Euro                        | <b>3,114</b>                         | 8,362                                  |
| Other currency              | <b>3,209</b>                         | 903                                    |
|                             | <b>934,742</b>                       | 597,111                                |

**18. CASH AND CASH EQUIVALENTS**

| <i>In millions of tenge</i>                                                | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|----------------------------------------------------------------------------|--------------------------------------|----------------------------------------|
| Term deposits with banks – US dollar                                       | <b>481,854</b>                       | 811,660                                |
| Term deposits with banks – tenge                                           | <b>298,520</b>                       | 152,321                                |
| Term deposits with banks – other currencies                                | <b>62,760</b>                        | 54,910                                 |
| Current accounts with banks – US dollar                                    | <b>559,486</b>                       | 105,433                                |
| Current accounts with banks – tenge                                        | <b>3,362</b>                         | 4,486                                  |
| Current accounts with banks – other currencies                             | <b>40,387</b>                        | 31,515                                 |
| Contracts of reverse repo with original maturities of three months or less | <b>70,172</b>                        | 32,804                                 |
| Cash in transit                                                            | <b>3,503</b>                         | 3,381                                  |
| Cash-on-hand and cheques                                                   | <b>2,240</b>                         | 1,756                                  |
| Less: allowance for expected credit losses                                 | <b>(106)</b>                         | (81)                                   |
|                                                                            | <b>1,522,178</b>                     | 1,198,185                              |

Term deposits with banks are made for various periods of between one day and three months, depending on the immediate cash requirements of the Group.

As at June 30, 2026, the weighted average interest rate for term deposits with banks was 3.58% in US dollars, 16.83% in tenge and 5.75% in other currencies (December 31, 2025: 3.89% in US dollars, 17.37% in tenge and 6.06% in other currencies).

As at June 30, 2026, and December 31, 2025, cash and cash equivalents of the Group were not pledged as collateral for obligations of the Group.

**19. BORROWINGS**

| <i>In millions of tenge</i>                 | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|---------------------------------------------|--------------------------------------|----------------------------------------|
| Fixed interest rate borrowings and bonds    | <b>2,940,954</b>                     | 3,062,408                              |
| Weighted average nominal interest rates     | <b>6.12%</b>                         | 6.09%                                  |
| Floating interest rate borrowings and bonds | <b>470,047</b>                       | 459,539                                |
| Weighted average nominal interest rates     | <b>7.03%</b>                         | 7.02%                                  |
|                                             | <b>3,411,001</b>                     | 3,521,947                              |

As at June 30, 2026, and December 31, 2025, borrowings and bonds are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------|--------------------------------------|----------------------------------------|
| US dollar                   | <b>2,338,511</b>                     | 2,422,291                              |
| Tenge                       | <b>787,811</b>                       | 802,117                                |
| Euro                        | <b>187,705</b>                       | 198,232                                |
| Chinese Yuan (CNY)          | <b>88,061</b>                        | 89,798                                 |
| Other currencies            | <b>8,913</b>                         | 9,509                                  |
|                             | <b>3,411,001</b>                     | 3,521,947                              |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****19. BORROWINGS (continued)**

| <i>In millions of tenge</i> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------|--------------------------------------|----------------------------------------|
| Current portion             | <b>410,305</b>                       | 278,423                                |
| Non-current portion         | <b>3,000,696</b>                     | 3,243,524                              |
|                             | <b>3,411,001</b>                     | 3,521,947                              |

As at June 30, 2026, and December 31, 2025, the bonds comprised:

| <i>In millions of tenge</i> | <b>Issuance<br/>amount</b> | <b>Redemption<br/>date</b> | <b>Effective interest<br/>rate</b> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31,<br/>2025<br/>(audited)</b> |
|-----------------------------|----------------------------|----------------------------|------------------------------------|--------------------------------------|--------------------------------------------|
| <b>Bonds</b>                |                            |                            |                                    |                                      |                                            |
| AIX and HKEX 2025 *         | 1.25 billion CNY           | 2030                       | 2.95%                              | <b>88,061</b>                        | 89,798                                     |
|                             |                            |                            | 11.74% (0.50%                      |                                      |                                            |
| KASE 2023                   | 70 billion KZT             | 2033                       | nominal interest rate)             | <b>41,600</b>                        | 43,411                                     |
|                             |                            |                            | 12.105% (9.30%                     |                                      |                                            |
| KASE 2022                   | 751.6 billion KZT          | 2035                       | nominal interest rate)             | <b>652,945</b>                       | 649,876                                    |
| LSE 2020                    | 750 million USD            | 2033                       | 3.50%                              | <b>362,878</b>                       | 381,578                                    |
| LSE 2018                    | 1.25 billion USD           | 2030                       | 5.375%                             | <b>598,795</b>                       | 629,635                                    |
| LSE 2018                    | 1.5 billion USD            | 2048                       | 6.375%                             | <b>594,847</b>                       | 625,316                                    |
| LSE 2017                    | 1.25 billion USD           | 2047                       | 5.75%                              | <b>469,312</b>                       | 493,105                                    |
| LSE 2017                    | 1 billion USD              | 2027                       | 4.75%                              | <b>121,058</b>                       | 127,103                                    |
| <b>Total</b>                |                            |                            |                                    | <b>2,929,496</b>                     | 3,039,822                                  |

\* HKEX – Hong Kong Stock Exchange

AIX- Astana International Exchange

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****19. BORROWINGS (continued)**

As at June 30, 2026 and December 31, 2025, the borrowings comprised:

| <i>In millions of tenge</i>                                                                                                | <b>Issuance<br/>amount</b>     | <b>Redemption date</b> | <b>Effective interest rate</b>                                                  | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------|---------------------------------------------------------------------------------|--------------------------------------|----------------------------------------|
| <b>Loans</b>                                                                                                               |                                |                        |                                                                                 |                                      |                                        |
| The Syndicate of banks (UniCredit Bank, ING Bank, BCR, Raiffeisen Bank, Garanti Bank, Banca Transilvania, Intesa Sanpaolo) | 551.8 million USD <sup>1</sup> | 2026                   | SOFR 1M + 2.00%<br>EURIBOR 1M + 2.05%<br>EURIBOR 1M + 2.00%<br>ROBOR 1M + 2.00% | <b>141,549</b>                       | 142,067                                |
| Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)                                                                          | 300 million USD                | 2026                   | COF <sup>2</sup> (3.67%) + 1.80%                                                | <b>88,043</b>                        | 54,682                                 |
| ING Bank NV                                                                                                                | 250 million USD                | 2026                   | COF (3.80%) + 2.00%                                                             | <b>40,227</b>                        | 19,760                                 |
| Halyk bank JSC (Halyk Bank)                                                                                                | 41.4 billion KZT               | 2032                   | Key Rate of National Bank of RK + 1.50%                                         | <b>28,707</b>                        | 29,544                                 |
| BCP                                                                                                                        | 170 million USD                | 2026                   | COF (4.13%) + 1.50%                                                             | <b>27,794</b>                        | –                                      |
| The Syndicate of banks (BCR, Raiffeisen Bank, Banca Transilvania, UniCredit Bank, Garanti Bank)                            | 83 million EUR                 | 2029                   | EURIBOR 6M + 3.00%                                                              | <b>27,036</b>                        | 30,471                                 |
| The Eurasian Development Bank                                                                                              | 21 billion KZT                 | 2033                   | Base rate of NBRK – 2.00%                                                       | <b>26,864</b>                        | 24,982                                 |
| The European Bank for Reconstruction and Development (EBRD)                                                                | 61 billion KZT                 | 2028                   | CPI 6M + 4.00%<br>CPI + 3.75%                                                   | <b>20,833</b>                        | 26,332                                 |
| Credit Agricole                                                                                                            | 150 million USD                | 2026                   | COF (3.84%) + 1.75%<br>ROBOR 1M + 2.00%                                         | <b>17,716</b>                        | 22,118                                 |
| Banca Transilvania                                                                                                         | 57.96 million EUR              | 2026                   | EURIBOR 1M + 2.00%<br>15.20%                                                    | <b>15,375</b>                        | 19,913                                 |
| Development bank of Kazakhstan JSC (DBK)                                                                                   | 79 billion KZT                 | 2028                   | (7.99% nominal rate)                                                            | <b>11,458</b>                        | 22,587                                 |
| Banca Transilvania                                                                                                         | 119 million RON                | 2030                   | ROBOR 3M + 1.10%                                                                | <b>7,122</b>                         | 8,913                                  |
| Halyk Bank                                                                                                                 | 169 billion KZT                | 2032                   | 19.50%                                                                          | <b>5,404</b>                         | 5,385                                  |
| Cargill                                                                                                                    | 100 million USD                | 2026                   | SOFR 3M + 2.80%                                                                 | –                                    | 50,792                                 |
| Other                                                                                                                      | –                              | –                      | –                                                                               | <b>23,377</b>                        | 24,579                                 |
| <b>Total</b>                                                                                                               |                                |                        |                                                                                 | <b>481,505</b>                       | 482,125                                |

<sup>1</sup> 275.9 million US dollars with revolving credit facility

<sup>2</sup> Cost of funding

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****19. BORROWINGS (continued)**

The table below shows the changes in borrowings for the six months ended June 30:

| <i>In millions of tenge</i>                         | 2026 (unaudited) |                 |                  |                  | 2025 (unaudited) |                 |           |           |
|-----------------------------------------------------|------------------|-----------------|------------------|------------------|------------------|-----------------|-----------|-----------|
|                                                     | Short-term loans | Long-term loans | Bonds            | Total            | Short-term loans | Long-term loans | Bonds     | Total     |
| <b>On January 1 (audited)</b>                       | <b>126,379</b>   | <b>355,746</b>  | <b>3,039,822</b> | <b>3,521,947</b> | 151,541          | 527,890         | 3,287,970 | 3,967,401 |
| Received in cash                                    | 89,216           | 13,076          | –                | 102,292          | 207,812          | 4,005           | –         | 211,817   |
| Repayment of principal in cash                      | (7,507)          | (69,279)        | (70)             | (76,856)         | (66,322)         | (182,674)       | (2,994)   | (251,990) |
| Interest accrued in profit and loss (Note 12)       | 4,216            | 13,563          | 101,861          | 119,640          | 11,208           | 16,439          | 111,863   | 139,510   |
| Interest paid*                                      | (4,221)          | (12,226)        | (92,864)         | (109,311)        | (11,269)         | (18,142)        | (105,936) | (135,347) |
| Foreign currency translation                        | (7,088)          | (11,217)        | –                | (18,305)         | (623)            | (4,553)         | –         | (5,176)   |
| Foreign exchange used for hedge of a net investment | –                | –               | (111,712)        | (111,712)        | –                | –               | (25,671)  | (25,671)  |
| Foreign exchange (gain)/loss                        | (3,132)          | (6,321)         | (3,626)          | (13,079)         | 7,117            | 3,419           | (483)     | 10,053    |
| Derecognition of loan (Note 12)                     | –                | –               | –                | –                | –                | (24,405)        | –         | (24,405)  |
| Other                                               | –                | 300             | (3,915)          | (3,615)          | 1,246            | 4,911           | –         | 6,157     |
| <b>On June 30 (unaudited)</b>                       | <b>197,863</b>   | <b>283,642</b>  | <b>2,929,496</b> | <b>3,411,001</b> | 300,710          | 326,890         | 3,264,749 | 3,892,349 |
| Current portion                                     | 197,863          | 51,040          | 161,402          | 410,305          | 300,710          | 156,197         | 49,873    | 506,780   |
| Non-current portion                                 | –                | 232,602         | 2,768,094        | 3,000,696        | –                | 170,693         | 3,214,876 | 3,385,569 |

\* The repayment of the interest is classified in the interim consolidated statement of cash flows as operating cash flows.

**Covenants**

The Group is required to comply with financial and non-financial covenants. Financial covenants require the Group to comply with certain metrics such as total net debt to EBITDA, minimum interest coverage and others. Failure to comply with covenants may result in the repayment of these long-term financings upon demand. As at June 30, 2026 and December 31, 2025, the Group complied with all financial and non-financial covenants. According to credit documentation the next remeasurement dates for the covenants are 30 September 2026 and 31 December 2026.



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****19. BORROWINGS (continued)****Hedge of net investment in the foreign operations**

The LSE bonds issued by the Company in 2017-2020 and denominated in US dollars were identified as hedging instruments for net investments in the Group's foreign entities: TCO, KMG Kashagan BV and KMG Karachaganak. As of June 30, 2026, the nominal value of the bonds issued by the Company in 2017-2020 was USD 4,500 million (USD 4,500 million as of December 31, 2025). The maturity of the hedging instruments ranges from 2 to 23 years. For the six months ended June 30, 2026, a gain of 111,712 million tenge (for the six months ended, June 30, 2025: a gain of 25,671 million tenge) on the translation of these bonds was transferred to other comprehensive income and offset against translation losses of the net investments in foreign operations.

**20. LEASE LIABILITIES**

Future lease payments under leases together with the present value of the net lease payments comprised the following:

| <i>In millions of tenge</i>                           | <b>Lease payments</b>                |                                        | <b>Present value of lease payments</b> |                                        |
|-------------------------------------------------------|--------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
|                                                       | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> | <b>June 30, 2026<br/>(unaudited)</b>   | <b>December 31, 2025<br/>(audited)</b> |
| Within one year                                       | <b>22,172</b>                        | 22,054                                 | <b>17,442</b>                          | 16,677                                 |
| Two to five years inclusive                           | <b>62,085</b>                        | 61,229                                 | <b>36,727</b>                          | 35,807                                 |
| After five years                                      | <b>88,227</b>                        | 100,369                                | <b>69,987</b>                          | 76,488                                 |
|                                                       | <b>172,484</b>                       | 183,652                                | <b>124,156</b>                         | 128,972                                |
| Less: amounts representing<br>finance costs           | <b>(48,328)</b>                      | (54,680)                               | –                                      | –                                      |
| <b>Present value of lease payments</b>                | <b>124,156</b>                       | 128,972                                | <b>124,156</b>                         | 128,972                                |
| Less: amounts due for settlement<br>within 12 months  | <b>(22,172)</b>                      | (22,054)                               | <b>(17,442)</b>                        | (16,677)                               |
| <b>Amounts due for settlement<br/>after 12 months</b> | <b>150,312</b>                       | 161,598                                | <b>106,714</b>                         | 112,295                                |

As at June 30, 2026, interest calculation was based on effective interest rates ranging from 2.95% to 19.00% (as at December 31, 2025: from 2.95% to 19.00%).

The table below shows the changes in lease liabilities for the six months ended June 30:

| <i>In millions of tenge</i>         | <b>2026<br/>(unaudited)</b> | <b>2025<br/>(unaudited)</b> |
|-------------------------------------|-----------------------------|-----------------------------|
| <b>On January 1 (audited)</b>       | <b>128,972</b>              | 124,216                     |
| Additions of leases                 | <b>10,946</b>               | 4,669                       |
| Modification of lease agreements    | <b>4,675</b>                | –                           |
| Interest accrued ( <i>Note 12</i> ) | <b>4,791</b>                | 4,618                       |
| Repayment of principal              | <b>(13,820)</b>             | (15,103)                    |
| Interest paid                       | <b>(608)</b>                | (592)                       |
| Foreign exchange (gain)/loss        | <b>(4,264)</b>              | 9,440                       |
| Foreign currency translation        | <b>(5,707)</b>              | (1,067)                     |
| Other                               | <b>(829)</b>                | 552                         |
| <b>On June 30 (unaudited)</b>       | <b>124,156</b>              | 126,733                     |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****21. PROVISIONS**

| <i>In millions of tenge</i>              | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b>  | <b>Total</b>   |
|------------------------------------------|---------------------------------------------|-------------------------------------------------------------|--------------------------------|---------------|----------------|
| <b>As at January 1, 2025 (audited)</b>   | 221,192                                     | 79,119                                                      | 2,888                          | 24,454        | 327,653        |
| Foreign currency translation             | (1,037)                                     | (704)                                                       | 52                             | (222)         | (1,911)        |
| Change in estimate                       | (10,888)                                    | (20)                                                        | –                              | (184)         | (11,092)       |
| Unwinding of discount ( <i>Note 12</i> ) | 9,363                                       | 706                                                         | –                              | 94            | 10,163         |
| Provision for the period                 | 624                                         | –                                                           | –                              | 5,210         | 5,834          |
| Loss of control over subsidiary          | (61)                                        | –                                                           | –                              | –             | (61)           |
| Reclassification from tax liabilities    | –                                           | –                                                           | 2,243                          | –             | 2,243          |
| Recovered                                | (254)                                       | –                                                           | –                              | (81)          | (335)          |
| Use of provision                         | (119)                                       | (149)                                                       | –                              | (2,289)       | (2,557)        |
| <b>As at June 30, 2025 (unaudited)</b>   | <b>218,820</b>                              | <b>78,952</b>                                               | <b>5,183</b>                   | <b>26,982</b> | <b>329,937</b> |
| <b>As at January 1, 2026 (audited)</b>   | <b>199,978</b>                              | <b>69,274</b>                                               | <b>3,733</b>                   | <b>23,885</b> | <b>296,870</b> |
| Foreign currency translation             | (4,253)                                     | (3,253)                                                     | (169)                          | (883)         | (8,558)        |
| Change in estimate                       | (14,403)                                    | –                                                           | –                              | –             | (14,403)       |
| Unwinding of discount ( <i>Note 12</i> ) | 9,403                                       | –                                                           | –                              | 63            | 9,466          |
| Provision for the period                 | 754                                         | –                                                           | –                              | 1,929         | 2,683          |
| Other changes                            | –                                           | –                                                           | –                              | 283           | 283            |
| Recovered                                | –                                           | (2,985)                                                     | (53)                           | (631)         | (3,669)        |
| Use of provision                         | (533)                                       | (2)                                                         | –                              | (1,812)       | (2,347)        |
| <b>As at June 30, 2026 (unaudited)</b>   | <b>190,946</b>                              | <b>63,034</b>                                               | <b>3,511</b>                   | <b>22,834</b> | <b>280,325</b> |

Current portion and long-term portion are segregated as follows:

| <i>In millions of tenge</i>            | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b>  | <b>Total</b>   |
|----------------------------------------|---------------------------------------------|-------------------------------------------------------------|--------------------------------|---------------|----------------|
| Current portion                        | 1,386                                       | –                                                           | 1,405                          | 14,218        | 17,009         |
| Long-term portion                      | 189,560                                     | 63,034                                                      | 2,106                          | 8,616         | 263,316        |
| <b>As at June 30, 2026 (unaudited)</b> | <b>190,946</b>                              | <b>63,034</b>                                               | <b>3,511</b>                   | <b>22,834</b> | <b>280,325</b> |
| Current portion                        | 1,231                                       | 1,965                                                       | 2,906                          | 16,104        | 22,206         |
| Long-term portion                      | 217,589                                     | 76,987                                                      | 2,277                          | 10,878        | 307,731        |
| <b>As at June 30, 2025 (unaudited)</b> | <b>218,820</b>                              | <b>78,952</b>                                               | <b>5,183</b>                   | <b>26,982</b> | <b>329,937</b> |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****22. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES**

| <i>In millions of tenge</i>            | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|
| <b>Trade accounts payable</b>          | <b>677,904</b>                       | <b>546,873</b>                         |
| <b>Other financial liabilities</b>     |                                      |                                        |
| Due to employees                       | <b>95,728</b>                        | 86,922                                 |
| Commitment to provide loans (Note 24)  | <b>54,028</b>                        | 44                                     |
| Derivative financial instruments       | <b>42,572</b>                        | 383                                    |
| Other trade payables                   | <b>42,552</b>                        | 28,627                                 |
| Other                                  | <b>66,088</b>                        | 64,789                                 |
|                                        | <b>300,968</b>                       | <b>180,765</b>                         |
| Current portion                        | <b>300,219</b>                       | 179,684                                |
| Non-current portion                    | <b>749</b>                           | 1,081                                  |
|                                        | <b>300,968</b>                       | <b>180,765</b>                         |
| <b>Other non-financial liabilities</b> |                                      |                                        |
| Contract liabilities                   | <b>135,174</b>                       | 202,973                                |
| Other                                  | <b>42,901</b>                        | 53,313                                 |
|                                        | <b>178,075</b>                       | <b>256,286</b>                         |
| Current portion                        | <b>121,333</b>                       | 188,478                                |
| Non-current portion                    | <b>56,742</b>                        | 67,808                                 |
|                                        | <b>178,075</b>                       | <b>256,286</b>                         |

As at June 30, 2026, and December 31, 2025, trade accounts payable were denominated in the following currencies:

| <i>In millions of tenge</i> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------|--------------------------------------|----------------------------------------|
| US dollars                  | <b>460,902</b>                       | 298,867                                |
| Tenge                       | <b>113,348</b>                       | 152,628                                |
| Romanian leu                | <b>80,236</b>                        | 72,598                                 |
| Euro                        | <b>16,802</b>                        | 15,162                                 |
| Other currencies            | <b>6,616</b>                         | 7,618                                  |
|                             | <b>677,904</b>                       | <b>546,873</b>                         |

As at June 30, 2026, and December 31, 2025, trade accounts payable and other financial liabilities were non-interest bearing.

**23. OTHER TAXES PAYABLE**

| <i>In millions of tenge</i>       | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------------|--------------------------------------|----------------------------------------|
| VAT                               | <b>78,503</b>                        | 70,969                                 |
| Rent tax on crude oil export      | <b>58,833</b>                        | 33,808                                 |
| Mineral extraction tax            | <b>36,662</b>                        | 19,732                                 |
| Turnover tax                      | <b>8,979</b>                         | 6,766                                  |
| Social tax                        | <b>5,028</b>                         | 7,665                                  |
| Individual income tax             | <b>4,480</b>                         | 4,911                                  |
| Excise tax                        | <b>2,401</b>                         | 2,259                                  |
| Withholding tax for non-residents | <b>17</b>                            | 4,867                                  |
| Other                             | <b>2,830</b>                         | 3,856                                  |
|                                   | <b>197,733</b>                       | <b>154,833</b>                         |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****24. RELATED PARTY DISCLOSURES****Terms and conditions of transactions with related parties**

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances are mainly unsecured and interest free and settlement occurs in cash. The Group recognises allowances for expected credit losses on amounts owed by related parties.

**Balances**

The following table provides the balances with related parties as at June 30, 2026, and December 31, 2025:

| <i>In millions of tenge</i>    |                                  | Due from<br>related<br>parties* | Due to<br>related<br>parties* | Cash and<br>deposits<br>placed with<br>related<br>parties | Loans and<br>receivables<br>due from<br>related parties | Borrowings<br>payable to<br>related<br>parties and<br>commitment<br>to provide<br>loans |
|--------------------------------|----------------------------------|---------------------------------|-------------------------------|-----------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Samruk-Kazyna                  | <b>June 30, 2026 (unaudited)</b> | <b>24,153</b>                   | –                             | –                                                         | <b>1,000,942</b>                                        | <b>748,529</b>                                                                          |
|                                | December 31, 2025 (audited)      | 31,402                          | –                             | –                                                         | 46,674                                                  | 693,287                                                                                 |
| Samruk-Kazyna entities         | <b>June 30, 2026 (unaudited)</b> | <b>144,353</b>                  | <b>6,378</b>                  | <b>25,193</b>                                             | <b>158</b>                                              | –                                                                                       |
|                                | December 31, 2025 (audited)      | 145,496                         | 2,012                         | 41,500                                                    | 166                                                     | –                                                                                       |
| Associates                     | <b>June 30, 2026 (unaudited)</b> | <b>56,789</b>                   | <b>2,567</b>                  | –                                                         | –                                                       | –                                                                                       |
|                                | December 31, 2025 (audited)      | 10,404                          | 3,980                         | –                                                         | –                                                       | –                                                                                       |
| Other state-controlled parties | <b>June 30, 2026 (unaudited)</b> | <b>10,194</b>                   | <b>8,950</b>                  | –                                                         | <b>23,342</b>                                           | <b>38,321</b>                                                                           |
|                                | December 31, 2025 (audited)      | 8,672                           | 7,999                         | –                                                         | 37,378                                                  | 47,569                                                                                  |
| Joint ventures                 | <b>June 30, 2026 (unaudited)</b> | <b>62,714</b>                   | <b>229,308</b>                | –                                                         | <b>173,669</b>                                          | –                                                                                       |
|                                | December 31, 2025 (audited)      | 53,715                          | 207,159                       | –                                                         | 174,410                                                 | –                                                                                       |

\* The amounts are mainly classified as «Trade accounts receivables» and «Trade accounts payables».

**Cash and deposits placed with related parties***Samruk-Kazyna entities*

As at June 30, 2026, the Group has current accounts and term deposits consisting of cash in dollars on the accounts of Kazpost JSC, subsidiary of Samruk-Kazyna, in the total amount of 25,193 million tenge (as at December 31, 2025 current accounts and term deposits consisting of cash in dollars in the total amount of 41,500 million tenge). The interest rates vary from 3.3% to 4.1% per annum on dollar denominated amounts (December 31, 2025: from 3.3% to 3.6% per annum on dollar denominated amounts and 17% for tenge denominated amounts).

**Loans and receivables due from related parties and borrowings payable to related parties and commitment to provide loans***Samruk-Kazyna*

During the six months ended 30 June 2026, the Company entered into a bond purchase agreement with Samruk-Kazyna pursuant to which the Company is committed to acquire, through multiple issuances, unsecured USD-denominated coupon bonds at par issued by Samruk-Kazyna. The agreement was concluded with an aggregate limit of up to 2,000 million US dollars outstanding at any point in time. The bonds have a denomination of 1,000 US dollars each, bear interest at a rate equal to SOFR + 0.2% per annum determined on the placement date of each issuance, mature within up to two years from the respective placement date (but no later than 30 June 2031).

During the six months ended 30 June 2026, the Company purchased 1 million bonds with aggregate nominal value of 1,000 million US dollars (equivalent to 487,020 million tenge) maturing on 25 June 2027. The difference between the fair value and the par value of the coupon bonds in the amount of 10,032 million tenge is reflected as transactions with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****24. RELATED PARTY DISCLOSURES (continued)**

As at 30 June 2026, the Company recognised a liability in respect of its commitment to acquire the remaining coupon bonds of Samruk-Kazyna in the amount of 112 million US dollars (equivalent to 54,600 million tenge) as a transaction with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

During the six months ended 30 June 2026, the Company repurchased from Samruk-Kazyna coupon bonds with a par value of 1,000 US dollars per security for 1,000 million US dollars (equivalent to 464,530 million tenge) maturing on 5 November 2026, with a coupon rate of 3.90% per annum. The difference between the fair value and the par value of the coupon bonds in the amount of 3,975 million tenge is reflected as transactions with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

*Other state-controlled parties*

For the six months ended June 30, 2026, the Group purchased short-term notes of National Bank of RK in the total amount of 217,778 million tenge with an interest rate of 17.97%. For the six months ended June 30, 2026, short-term notes of National Bank of RK acquired in 2025 and 2026 in the amount of 231,475 million tenge were redeemed by National Bank of RK.

**Transactions**

The following table provides the total of transactions, which have been entered into with related parties for the six months ended June 30, 2026, and 2025:

| <i>In millions of tenge</i>       | <b>For the six months ended<br/>June 30,</b> | <b>Sales to<br/>related<br/>parties*</b> | <b>Purchases<br/>from<br/>related<br/>parties*</b> | <b>Interest earned<br/>from<br/>related<br/>parties</b> | <b>Interest<br/>incurred to<br/>related<br/>parties</b> |
|-----------------------------------|----------------------------------------------|------------------------------------------|----------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| Samruk-Kazyna                     | <b>2026 (unaudited)</b>                      | <b>10,567</b>                            | <b>1,150</b>                                       | <b>13,250</b>                                           | <b>40,350</b>                                           |
|                                   | 2025 (unaudited)                             | 663                                      | 1,333                                              | 4,343                                                   | 40,605                                                  |
| Samruk-Kazyna entities            | <b>2026 (unaudited)</b>                      | <b>163,438</b>                           | <b>40,126</b>                                      | <b>642</b>                                              | <b>–</b>                                                |
|                                   | 2025 (unaudited)                             | 103,291                                  | 13,621                                             | 1,758                                                   | –                                                       |
| Associates                        | <b>2026 (unaudited)</b>                      | <b>21,138</b>                            | <b>47,767</b>                                      | <b>–</b>                                                | <b>–</b>                                                |
|                                   | 2025 (unaudited)                             | 30,334                                   | 36,745                                             | 17                                                      | –                                                       |
| Other state-controlled<br>parties | <b>2026 (unaudited)</b>                      | <b>539</b>                               | <b>25,631</b>                                      | <b>5,370</b>                                            | <b>3,578</b>                                            |
|                                   | 2025 (unaudited)                             | 502                                      | 28,702                                             | 4,213                                                   | 4,506                                                   |
| Joint ventures                    | <b>2026 (unaudited)</b>                      | <b>264,033</b>                           | <b>1,026,148</b>                                   | <b>6,616</b>                                            | <b>–</b>                                                |
|                                   | 2025 (unaudited)                             | 245,654                                  | 1,039,636                                          | 1,781                                                   | –                                                       |

\* *The amounts are mainly classified as «Revenue from contracts with customers», «Cost of purchased oil, gas, petroleum products and other materials», «Production expenses», «Transportation and selling expenses» and «General and administrative expenses».*

**Key management employee compensation**

For the six months ended June 30, 2026 and 2025, total compensation to key management personnel (members of the Boards of directors and Management boards of the Group, including the Company and its subsidiaries) included in general and administrative expenses were equal to 3,865 million tenge and 3,554 million tenge, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**Dividends**

During the six months ended June 30, 2026, based on the decision of Shareholders, the Company declared and paid-off dividends for 2025 of 573.66 tenge per common share in the total amount of 350,001 million tenge (during the six months ended June 30, 2025: declared dividends for 2024 of 491.71 tenge per common share in the total of 300,002 million tenge).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****25. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES****Fair values of financial instruments**

The following table shows the information about the carrying amount and fair value of certain financial instruments of the Group as at June 30, 2026, and December 31, 2025. For all other financial instruments, the carrying amount approximates fair value.

| <i>In millions of tenge</i>                                                            | June 30, 2026 (unaudited) |            |                                   |         |         | December 31, 2025 (audited) |            |                                   |         |         |
|----------------------------------------------------------------------------------------|---------------------------|------------|-----------------------------------|---------|---------|-----------------------------|------------|-----------------------------------|---------|---------|
|                                                                                        | Carrying amount           | Fair value | Fair value by level of assessment |         |         | Carrying amount             | Fair value | Fair value by level of assessment |         |         |
|                                                                                        |                           |            | Level 1                           | Level 2 | Level 3 |                             |            | Level 1                           | Level 2 | Level 3 |
| Loans and receivables due from related parties:                                        |                           |            |                                   |         |         |                             |            |                                   |         |         |
| - Bonds receivable from Samruk-Kazyna                                                  | 976,265                   | 966,588    | -                                 | 966,588 | -       | 24,098                      | 11,708     | -                                 | 11,708  | -       |
| - NB RK notes                                                                          | 23,343                    | 23,343     | -                                 | 23,343  | -       | 37,378                      | 37,378     | -                                 | 37,378  | -       |
| - Loans and receivables due from related parties at fair value through profit and loss | 158,328                   | 158,328    | -                                 | -       | 158,328 | 159,655                     | 159,655    | -                                 | -       | 159,655 |
| - Loans given to related parties at amortised cost                                     | 40,030                    | 40,197     | -                                 | 24,677  | 15,520  | 37,344                      | 37,502     | -                                 | 22,576  | 14,926  |
| Fixed interest rate borrowings                                                         | 2,940,954                 | 2,844,268  | 2,229,984                         | 614,284 | -       | 3,062,408                   | 2,948,106  | 2,926,144                         | 21,962  | -       |
| Financial guarantees                                                                   | 15,250                    | 13,779     | -                                 | -       | 13,779  | 18,009                      | 18,009     | -                                 | -       | 18,009  |
| Floating interest rate borrowings                                                      | 470,047                   | 470,047    | -                                 | 470,047 | -       | 459,539                     | 459,538    | -                                 | 459,538 | -       |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****25. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments (continued)**

The fair value of bonds receivable from the Samruk-Kazyna and other debt instruments have been calculated by discounting the expected future cash flows at market interest rates.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the six months ended June 30, 2026.

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy as at June 30, 2026, are shown below:

| <i>In millions of tenge</i>                                                          | Fair value     | Valuation technique         | Inputs used           | Range of inputs (weighted average) | Increase/ (Decrease) in base rates | Sensitivity of fair value measurement |
|--------------------------------------------------------------------------------------|----------------|-----------------------------|-----------------------|------------------------------------|------------------------------------|---------------------------------------|
| Loans and receivables due from related parties at fair value through profit and loss | 158,328        | Discounted cash flow method | SOFR+2.5%,<br>SOFR+3% | 6.47-15%                           | +1%<br>(1)%                        | 1,534<br>(1,534)                      |
| <b>Total recurring fair value measurement at level 3</b>                             | <b>158,328</b> |                             |                       |                                    |                                    |                                       |

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy as at December 31, 2025, are shown below:

| <i>In millions of tenge</i>                                                          | Fair value     | Valuation technique         | Inputs used           | Range of inputs (weighted average) | Increase/ (Decrease) in base rates | Sensitivity of fair value measurement |
|--------------------------------------------------------------------------------------|----------------|-----------------------------|-----------------------|------------------------------------|------------------------------------|---------------------------------------|
| Loans and receivables due from related parties at fair value through profit and loss | 159,655        | Discounted cash flow method | SOFR+2.8%,<br>SOFR+3% | 6.5-8.5%                           | +1%<br>(1)%                        | 3,836<br>(19,909)                     |
| <b>Total recurring fair value measurement at level 3</b>                             | <b>159,655</b> |                             |                       |                                    |                                    |                                       |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****26. CONTINGENT LIABILITIES AND COMMITMENTS**

In addition to the contingent liabilities and commitments disclosed in the consolidated financial statements of the Group for the year ended December 31, 2025, the following changes have taken place during the six months ended June 30, 2026:

**Kazakhstan local market obligation**

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue than crude oil sold on the export market, which may materially and adversely affect the Group's business, prospects, consolidated financial position and performance.

During the six months ended June 30, 2026 in accordance with its obligations, the Group delivered to the Kazakhstan market 3,773 thousand tons of crude oil for the total amount of 484,413 million tenge, including its share in the joint ventures and associates in the total volume of 1,310 thousand tons of 147,048 million tenge (for the six months ended June 30, 2025: 4,364 thousand tons of 445,391 million tenge, including its share in the joint ventures and associates in the total volume of 1,466 thousand tons of 143,653 million tenge).

**Commitments under subsoil use contracts**

As at June 30, 2026, the Group had the following commitments (net of VAT) related to a minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2026                        | 215,292                                                              | 14,321                                                       | 49,286                                                               | 25,942                                                       |
| 2027                        | 291,809                                                              | 14,471                                                       | 75,663                                                               | 14,093                                                       |
| 2028                        | 232,586                                                              | 12,149                                                       | 20,766                                                               | 14,877                                                       |
| 2029                        | 88,689                                                               | 10,075                                                       | 21,525                                                               | 15,555                                                       |
| 2030-2049                   | 115,296                                                              | 11,495                                                       | 39,519                                                               | 16,419                                                       |
| <b>Total</b>                | <b>943,672</b>                                                       | <b>62,511</b>                                                | <b>206,759</b>                                                       | <b>86,886</b>                                                |

As at December 31, 2025, commitments (net of VAT) related to a minimal working program included:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2026                        | 391,958                                                              | 24,871                                                       | 80,344                                                               | 55,848                                                       |
| 2027                        | 285,043                                                              | 13,464                                                       | 47,524                                                               | 14,093                                                       |
| 2028                        | 238,402                                                              | 12,149                                                       | 21,253                                                               | 14,877                                                       |
| 2029                        | 92,111                                                               | 10,075                                                       | 21,827                                                               | 15,555                                                       |
| 2030-2049                   | 119,138                                                              | 11,495                                                       | 43,628                                                               | 16,419                                                       |
| <b>Total</b>                | <b>1,126,652</b>                                                     | <b>72,054</b>                                                | <b>214,576</b>                                                       | <b>116,792</b>                                               |



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****26. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Other contractual commitments**

As at June 30, 2026, the Group had other capital commitments related to acquisition and construction of long-lived assets of approximately 272,696 million tenge, net of VAT, including its share in joint ventures commitments of 8,751 million tenge (as at December 31, 2025: 201,349 million tenge, net of VAT, including its share in joint ventures commitments of 5,089 million tenge).

As at June 30, 2026, the Group had commitments in the total amount of 80,343 million tenge (as at December 31, 2025: 41,084 million tenge) under the investment programs approved by the competent authority.

**27. SEGMENT REPORTING**

The Group's operating segments have their own structure and management according to the type of the produced goods and services provided. Moreover, all segments are strategic directions of the business which offer different types of the goods and services in different markets. The functions have been defined as the operating segments of the Group because they are segments a) that engage in business activities from which revenues are generated and expenses incurred; b) whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions.

The Group's activity consists of three main operating segments: exploration and production of oil and gas, oil transportation, refining and trading of crude oil and refined products. The Group presents the Company's activities separately in Corporate segment, since the Company performs not only the functions of the parent company, but also carries out operational activities. The remaining operating segments have been aggregated and presented as other operating segment due to their insignificance.

Disaggregation of revenue by types of goods and services is presented in *Note 4* to these interim condensed consolidated financial statements.

For the six months ended June 30, 2026, and 2025 disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

| For the six months ended June 30, 2026 (unaudited) |                                                 |                       |                                                                    |                |                |                  |
|----------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------------|----------------|----------------|------------------|
|                                                    | Exploration and<br>production of<br>oil and gas | Oil<br>transportation | Refining and<br>trading of<br>crude oil<br>and refined<br>products | Corporate      | Other          | Total            |
| <i>In millions of tenge</i>                        |                                                 |                       |                                                                    |                |                |                  |
| Sales of crude oil and gas                         | 314,479                                         | –                     | 2,663,354                                                          | –              | –              | 2,977,833        |
| Sales of refined products                          | 5,689                                           | –                     | 1,358,995                                                          | 622,266        | 7,899          | 1,994,849        |
| Oil transportation services                        | 33                                              | 150,660               | 51,233                                                             | 10             | 260            | 202,196          |
| Refining of oil and oil products                   | –                                               | –                     | 135,479                                                            | –              | –              | 135,479          |
| Other revenue                                      | 14,140                                          | 29,955                | 98,655                                                             | 1,115          | 113,532        | 257,397          |
| <b>Total</b>                                       | <b>334,341</b>                                  | <b>180,615</b>        | <b>4,307,716</b>                                                   | <b>623,391</b> | <b>121,691</b> | <b>5,567,754</b> |

| For the six months ended June 30, 2025 (unaudited) |                                                 |                       |                                                                    |                |                |                  |
|----------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------------|----------------|----------------|------------------|
|                                                    | Exploration and<br>production of<br>oil and gas | Oil<br>transportation | Refining and<br>trading of<br>crude oil<br>and refined<br>products | Corporate      | Other          | Total            |
| <i>In millions of tenge</i>                        |                                                 |                       |                                                                    |                |                |                  |
| Sales of crude oil and gas                         | 381,549                                         | –                     | 1,993,575                                                          | –              | –              | 2,375,124        |
| Sales of refined products                          | 2,724                                           | –                     | 1,083,615                                                          | 536,353        | 8,111          | 1,630,803        |
| Oil transportation services                        | –                                               | 116,378               | 934                                                                | 2,986          | 114            | 120,412          |
| Refining of oil and oil products                   | –                                               | –                     | 125,193                                                            | –              | –              | 125,193          |
| Other revenue                                      | 32,483                                          | 29,429                | 76,455                                                             | 992            | 109,603        | 248,962          |
| <b>Total</b>                                       | <b>416,756</b>                                  | <b>145,807</b>        | <b>3,279,772</b>                                                   | <b>540,331</b> | <b>117,828</b> | <b>4,500,494</b> |

Segment performance is evaluated based on revenues, net profit and EBITDA, which are measured on the same basis as in the interim consolidated financial statements.

EBITDA is a supplemental non-IFRS financial measure used by management to evaluate segments performance, and is defined as earnings before depreciation, depletion and amortisation, impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and exploration expenses, impairments of joint ventures and associates, finance income and expense, income tax expenses and expected credit losses.

EBITDA, % is calculated as EBITDA of each reporting segment divided by the total EBITDA.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)****27. SEGMENT REPORTING (continued)****Geographic information**

The Group's property, plant and equipment are located in the following countries:

| <i>In millions of tenge</i> | <b>June 30, 2026<br/>(unaudited)</b> | <b>December 31, 2025<br/>(audited)</b> |
|-----------------------------|--------------------------------------|----------------------------------------|
| Kazakhstan                  | <b>6,636,418</b>                     | 6,931,049                              |
| Other countries             | <b>616,587</b>                       | 659,580                                |
|                             | <b>7,253,005</b>                     | 7,590,629                              |

Eliminations and adjustments in the tables below represent the exclusion of intra-group turnovers, Inter-segment transactions were made on terms agreed to between the segments that may not necessarily comply with market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****27. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for the six months ended June 30, 2026, and assets and liabilities as at June 30, 2026, of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                             | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and<br>trading of crude<br>oil and refined<br>products | Corporate        | Other            | Eliminations and<br>adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|-----------------------------------------------------------------|------------------|------------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                               | 334,341                                         | 180,615               | 4,307,716                                                       | 623,391          | 121,691          | –                               | 5,567,754         |
| Revenues from sales to other segments                                                                                                                                                                                   | 1,189,774                                       | 123,988               | 114,593                                                         | 69,953           | 78,243           | (1,576,551)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                                    | <b>1,524,115</b>                                | <b>304,603</b>        | <b>4,422,309</b>                                                | <b>693,344</b>   | <b>199,934</b>   | <b>(1,576,551)</b>              | <b>5,567,754</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                      | (23,259)                                        | (11,031)              | (3,803,187)                                                     | (436,128)        | (19,040)         | 1,273,852                       | (3,018,793)       |
| Production expenses                                                                                                                                                                                                     | (359,769)                                       | (179,021)             | (286,076)                                                       | (132,743)        | (176,479)        | 320,839                         | (813,249)         |
| Taxes other than income tax                                                                                                                                                                                             | (220,603)                                       | (12,068)              | (19,575)                                                        | (96,372)         | (5,260)          | –                               | (353,878)         |
| Transportation and selling expenses                                                                                                                                                                                     | (117,855)                                       | (16,356)              | (72,668)                                                        | (8,646)          | –                | 48,190                          | (167,335)         |
| General and administrative expenses                                                                                                                                                                                     | (25,254)                                        | (9,324)               | (26,360)                                                        | (34,208)         | (14,199)         | 13,434                          | (95,911)          |
| Share in profit of joint ventures and associates, net                                                                                                                                                                   | 440,647                                         | 61,830                | 35,643                                                          | –                | (1,339)          | –                               | 536,781           |
| <b>EBITDA</b>                                                                                                                                                                                                           | <b>1,218,022</b>                                | <b>138,633</b>        | <b>250,086</b>                                                  | <b>(14,753)</b>  | <b>(16,383)</b>  | <b>79,764</b>                   | <b>1,655,369</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                        | <b>73%</b>                                      | <b>8%</b>             | <b>16%</b>                                                      | <b>(1%)</b>      | <b>(1%)</b>      | <b>5%</b>                       |                   |
| Depreciation, depletion and amortisation                                                                                                                                                                                | (269,987)                                       | (24,328)              | (74,896)                                                        | (1,334)          | (7,697)          | –                               | (378,242)         |
| Interest income calculated using the effective interest method                                                                                                                                                          | 11,888                                          | 10,924                | 9,730                                                           | 109,384          | 11,987           | (50,121)                        | 103,792           |
| Other finance income                                                                                                                                                                                                    | 2,497                                           | 4,087                 | 107                                                             | 5,628            | 763              | (6,292)                         | 6,790             |
| Finance costs                                                                                                                                                                                                           | (25,403)                                        | (9,836)               | (42,188)                                                        | (118,230)        | (4,799)          | 55,752                          | (144,704)         |
| (Impairment)/reversal of impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses                                                              | (101)                                           | 302                   | 94                                                              | –                | (20)             | –                               | 275               |
| Foreign exchange (loss)/gain, net                                                                                                                                                                                       | (7,096)                                         | (2,462)               | 4,952                                                           | (73,973)         | (590)            | –                               | (79,169)          |
| (Expected credit losses)/recovery of expected credit losses                                                                                                                                                             | (602)                                           | (640)                 | (1,464)                                                         | (13,695)         | (336)            | 4,708                           | (12,029)          |
| Other operating income                                                                                                                                                                                                  | 3,937                                           | 12,580                | 7,901                                                           | 734,081          | 3,180            | (733,202)                       | 28,477            |
| Other expenses                                                                                                                                                                                                          | (6,823)                                         | (8,592)               | (7,481)                                                         | (977)            | (3,776)          | 5,988                           | (21,661)          |
| Income tax expenses                                                                                                                                                                                                     | (132,368)                                       | (12,449)              | (24,729)                                                        | (78,999)         | (6,580)          | –                               | (255,125)         |
| <b>Net profit/(loss) for the period</b>                                                                                                                                                                                 | <b>793,964</b>                                  | <b>108,219</b>        | <b>122,112</b>                                                  | <b>547,132</b>   | <b>(24,251)</b>  | <b>(643,403)</b>                | <b>903,773</b>    |
| <b>Other segment information</b>                                                                                                                                                                                        |                                                 |                       |                                                                 |                  |                  |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                            | 3,667,389                                       | 596,690               | 187,104                                                         | –                | 235,904          | –                               | 4,687,087         |
| Capital expenditures                                                                                                                                                                                                    | 150,773                                         | 13,224                | 67,742                                                          | 2,088            | 21,720           | –                               | 255,547           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and<br>receivables from related parties, other current financial assets and impairment of other<br>current non-financial assets | (11,844)                                        | (7,252)               | (49,780)                                                        | (48,934)         | (10,521)         | –                               | (128,331)         |
| <b>Assets of the segment</b>                                                                                                                                                                                            | <b>10,917,864</b>                               | <b>1,608,402</b>      | <b>3,084,681</b>                                                | <b>3,353,790</b> | <b>1,055,094</b> | <b>(1,049,513)</b>              | <b>18,970,318</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                       | <b>1,771,656</b>                                | <b>355,090</b>        | <b>1,930,792</b>                                                | <b>3,418,261</b> | <b>263,677</b>   | <b>(1,232,191)</b>              | <b>6,507,285</b>  |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****27. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for the six months ended June 30, 2025, and assets and liabilities as at December 31, 2025, of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                             | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and<br>trading of crude<br>oil and refined<br>products | Corporate        | Other            | Eliminations and<br>adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|-----------------------------------------------------------------|------------------|------------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                               | 416,756                                         | 145,807               | 3,279,772                                                       | 540,331          | 117,828          | –                               | 4,500,494         |
| Revenues from sales to other segments                                                                                                                                                                                   | 820,154                                         | 77,749                | 110,563                                                         | 44,727           | 72,498           | (1,125,691)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                                    | <b>1,236,910</b>                                | <b>223,556</b>        | <b>3,390,335</b>                                                | <b>585,058</b>   | <b>190,326</b>   | <b>(1,125,691)</b>              | <b>4,500,494</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                      | (25,343)                                        | (10,265)              | (2,878,280)                                                     | (350,060)        | (15,274)         | 852,452                         | (2,426,770)       |
| Production expenses                                                                                                                                                                                                     | (334,379)                                       | (131,448)             | (223,288)                                                       | (120,999)        | (168,270)        | 219,608                         | (758,776)         |
| Taxes other than income tax                                                                                                                                                                                             | (170,017)                                       | (11,132)              | (18,496)                                                        | (75,640)         | (6,646)          | –                               | (281,931)         |
| Transportation and selling expenses                                                                                                                                                                                     | (114,888)                                       | (328)                 | (61,889)                                                        | (7,627)          | –                | 39,049                          | (145,683)         |
| General and administrative expenses                                                                                                                                                                                     | (25,464)                                        | (8,363)               | (26,811)                                                        | (30,076)         | (13,149)         | 9,611                           | (94,252)          |
| Share in profit of joint ventures and associates, net                                                                                                                                                                   | 211,609                                         | 88,530                | 48,290                                                          | –                | 308              | –                               | 348,737           |
| <b>EBITDA</b>                                                                                                                                                                                                           | <b>778,428</b>                                  | <b>150,550</b>        | <b>229,861</b>                                                  | <b>656</b>       | <b>(12,705)</b>  | <b>(4,971)</b>                  | <b>1,141,819</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                        | <b>68%</b>                                      | <b>13%</b>            | <b>20%</b>                                                      | <b>0%</b>        | <b>(1%)</b>      | <b>0%</b>                       |                   |
| Depreciation, depletion and amortisation                                                                                                                                                                                | (249,723)                                       | (22,410)              | (72,675)                                                        | (1,536)          | (6,658)          | –                               | (353,002)         |
| Interest income calculated using the effective interest method                                                                                                                                                          | 18,804                                          | 6,900                 | 6,876                                                           | 123,245          | 9,005            | (71,161)                        | 93,669            |
| Other finance income                                                                                                                                                                                                    | 26                                              | 88                    | 106                                                             | 26,942           | –                | –                               | 27,162            |
| Finance costs                                                                                                                                                                                                           | (31,882)                                        | (11,340)              | (48,323)                                                        | (118,082)        | (3,452)          | 49,066                          | (164,013)         |
| (Impairment)/reversal of impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses                                                              | (21,234)                                        | (132)                 | 2,196                                                           | (299)            | 6                | –                               | (19,463)          |
| Gain from disposal of subsidiary                                                                                                                                                                                        | –                                               | –                     | –                                                               | 3,000            | –                | –                               | 3,000             |
| Foreign exchange (loss)/gain, net                                                                                                                                                                                       | (1,846)                                         | (521)                 | (15,966)                                                        | (4,579)          | 184              | –                               | (22,728)          |
| Recovery of expected credit losses/(expected credit losses)                                                                                                                                                             | 1,556                                           | 520                   | (774)                                                           | (10,310)         | (269)            | 5,301                           | (3,976)           |
| Other operating income                                                                                                                                                                                                  | 4,502                                           | 2,187                 | 5,422                                                           | 104,825          | 3,396            | (100,086)                       | 20,246            |
| Other expenses                                                                                                                                                                                                          | (2,723)                                         | 8,548                 | (1,532)                                                         | (5,838)          | (5,772)          | (8,520)                         | (15,837)          |
| Income tax expenses                                                                                                                                                                                                     | (63,637)                                        | (7,394)               | (18,611)                                                        | (73,578)         | (9,280)          | –                               | (172,500)         |
| <b>Net profit/(loss) for the period</b>                                                                                                                                                                                 | <b>432,271</b>                                  | <b>126,996</b>        | <b>86,580</b>                                                   | <b>44,446</b>    | <b>(25,545)</b>  | <b>(130,371)</b>                | <b>534,377</b>    |
| <b>Other segment information</b>                                                                                                                                                                                        |                                                 |                       |                                                                 |                  |                  |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                            | 3,955,624                                       | 594,449               | 179,287                                                         | –                | 204,602          | –                               | 4,933,962         |
| Capital expenditures                                                                                                                                                                                                    | 171,349                                         | 18,940                | 42,019                                                          | 4,556            | 22,356           | –                               | 259,220           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and<br>receivables from related parties, other current financial assets and impairment of other<br>current non-financial assets | (11,565)                                        | (7,211)               | (48,592)                                                        | (40,574)         | (10,723)         | –                               | (118,665)         |
| <b>Assets of the segment</b>                                                                                                                                                                                            | <b>10,441,069</b>                               | <b>1,613,687</b>      | <b>2,822,744</b>                                                | <b>2,702,935</b> | <b>1,583,657</b> | <b>(315,647)</b>                | <b>18,848,445</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                       | <b>1,771,492</b>                                | <b>347,593</b>        | <b>1,699,184</b>                                                | <b>3,482,030</b> | <b>214,672</b>   | <b>(1,052,851)</b>              | <b>6,462,120</b>  |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)**

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**28. SUBSEQUENT EVENTS**

**Dividends received**

In July 2026, the Group received dividends from Tengizchevroil LLP, a joint venture, in the amount of 204 million US dollars (equivalent to 96,825 million tenge) and an associate, Caspian Pipeline Consortium, in the amount of 86 million US dollars (equivalent 40,518 million tenge).

Joint Stock Company “National Company

“**KazMunayGas**”

Consolidated financial statements

For the year ended **December 31, 2025**

**Joint Stock Company**  
**“National Company “KazMunayGas”**

Consolidated financial statements

*For the year ended December 31, 2025*  
*with independent auditor's report*

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Independent auditor’s report

**Consolidated financial statements**

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## Independent Auditor's Report

To the Shareholders, the Board of Directors and Management of Joint Stock Company "National Company "KazMunayGas"

### Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Joint Stock Company "National Company "KazMunayGas" (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2025, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income for the year ended 31 December 2025;
- the consolidated statement of financial position as at the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

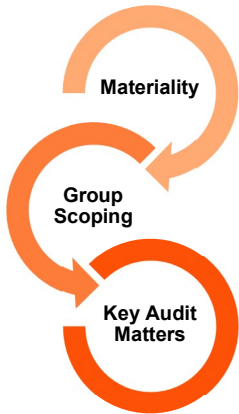
### Independence

We are independent of the Group in accordance with the ethical requirements of the Law on Audit Activity that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan and the International Code of Ethics for Professional Accountants (including International

Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Republic of Kazakhstan and the IESBA Code.

## Our audit approach

### Overview



Overall Group materiality: Kazakhstani Tenge (“tenge”) 70,000 million, which represents approximately 5% of profit before income tax.

- Our scope of work included audits of the Company, fifteen subsidiaries, nine joint ventures and one associate in Kazakhstan, one subsidiary in the Netherlands, and one associate in Russia.
- Our audit scope addressed 95% of the Group’s total assets, 97% of the Group’s revenues, 98% of the Group’s profit before income tax.
- Impairment of non-current assets
- Provisions and contingent liabilities
- Asset retirement obligations and provision for environmental obligation

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

|                                                        |                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Overall Group materiality</b>                       | 70,000 million tenge                                                                                                                                                                                                                                                                                                                                                                   |
| <b>How we determined it</b>                            | Approximately 5% of profit before income tax                                                                                                                                                                                                                                                                                                                                           |
| <b>Rationale for the materiality benchmark applied</b> | We chose profit before income tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users of the consolidated financial statements and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector. |

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Impairment of non-current assets</b></p> <p>Note 13 to the consolidated financial statements</p> <p>The Group has significant balances of non-current assets (including property, plant and equipment, intangible assets, and exploration and evaluation assets).</p> <p>The Group's management assessed indicators of impairment (and indicators of reversal) of these assets, as well as impairment models (where applicable) as at 31 December 2025.</p> <p>Management applies a future cash flow approach, which involves the use of forecast estimates that are inherently difficult to determine with precision. A degree of judgement is also applied in establishing other key assumptions.</p> <p>We considered this matter to be one of the key audit matters due to the high level of assumptions involved, as well as the significant judgements and estimates underlying the impairment analysis.</p> <p>Key assumptions (depending on the specific asset) include discount rates, crude oil price forecasts, refining tariffs, production forecasts, exchange rates and inflation rates. Significant estimates include future capital expenditures and the volumes of crude oil and natural gas reserves available for development and production.</p> | <ul style="list-style-type: none"> <li>• We obtained management's analyses regarding the presence of impairment indicators and assessed their compliance with the requirements of IFRS Accounting Standards.</li> <li>• Where applicable, we obtained, reviewed and evaluated impairment models prepared by management or by external valuation specialists.</li> <li>• We assessed the competence and objectivity of the external valuation specialists and the independent expert who prepared the reserves report used in the models, taking into account their professional qualifications, relevant experience and the use of industry-accepted methodologies.</li> <li>• We involved our valuation specialists to assist us in assessing the methodology and assumptions used in the models, including oil price forecasts, discount rates, inflation rates, country risk premiums, foreign exchange rates and other external information sources, including comparisons to market data.</li> <li>• We compared current and forecast capital expenditures, tax cash flows and other internal information to the approved plans and budgets.</li> <li>• We assessed management's sensitivity analyses over key assumptions to evaluate the potential impact on the impairment results and the ranges of possible recoverable amounts.</li> <li>• We evaluated the disclosures in the consolidated financial statements for compliance with the requirements of IFRS Accounting Standards.</li> </ul> |

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## Provisions and contingent liabilities

Notes 28 and 34 to the consolidated financial statements

The Group assesses and recognises provisions and discloses contingent liabilities in respect of the outcomes of reviews by government authorities and general litigation, as well as other relevant circumstances.

Assessing whether a liability should be recognised and whether the amounts can be reliably estimated requires judgement and estimation.

Forecasting the outcome of a matter and assessing the potential effect in the event of an unfavourable resolution is a complex process, and the potential impact on the consolidated financial statements may be significant.

We considered the assessment of provisions and contingent liabilities to be one of the key audit matters due to the materiality of such balances to the consolidated financial statements and the significant judgements applied by Group management.

- We inquired of Group management and the Group's legal departments regarding instances of non-compliance with laws and regulations, as well as the status of any outstanding and ongoing legal cases, claims and proceedings.
- We obtained legal letters from the internal legal departments as well as confirmation letters from the Group's external legal counsel.
- We reviewed relevant correspondence, significant contracts, and minutes of meetings of management and the Group's Board of Directors.
- We analysed the most significant legal cases and discussed them with the Group's legal department. We also involved our internal legal and tax specialists to assist in this analysis.
- We analysed Group management's assessments underlying the amounts recognised as provisions in the consolidated financial statements and evaluated the judgements applied in determining the likelihood of potential outcomes related to the execution of contingent liabilities.
- We reviewed the relevant disclosures in the consolidated financial statements.

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## Asset retirement obligations and provision for environmental obligation

Note 28 to the consolidated financial statements

The Group assesses and recognises asset retirement obligations and environmental liabilities as part of its provisions.

We considered this matter to be one of the key audit matters because the calculation of the provision for asset retirement obligations and environmental liabilities involves inherent subjectivity in estimating future nominal costs and uncertainty related to the timing of the actual decommissioning activities.

Provisions for asset retirement obligations and environmental liabilities are also material to the consolidated financial statements. The Group's assessment of such provisions takes into account the expected decommissioning approach, the timing of decommissioning activities, discount rates, the impact of changes in local regulations, as well as the effect of inflation.

- We tested the Group's calculations, compared the key assumptions to external sources, and on a sample basis tested the underlying data used in determining the nominal cost estimates.
  - We reviewed the legal and regulatory framework governing the requirements for decommissioning the assets at the end of their useful lives, and assessed management's interpretation and application of these requirements.
  - We assessed the competence and objectivity of the external experts who determined the nominal cost estimates, taking into account their professional qualifications, experience and the use of industry-accepted methodologies.
  - We involved our valuation experts to perform audit procedures over the assessment of the appropriateness of the discount and inflation rates used by the Group in calculating the provision for asset retirement obligations and environmental liabilities.
  - We reviewed management's sensitivity analyses over key assumptions to assess the potential impact on the valuation results and the ranges of possible outcomes.
  - We evaluated the relevant disclosures in the consolidated financial statements for compliance with the requirements of IFRS Accounting Standards.
-

## How we tailored our Group audit scope

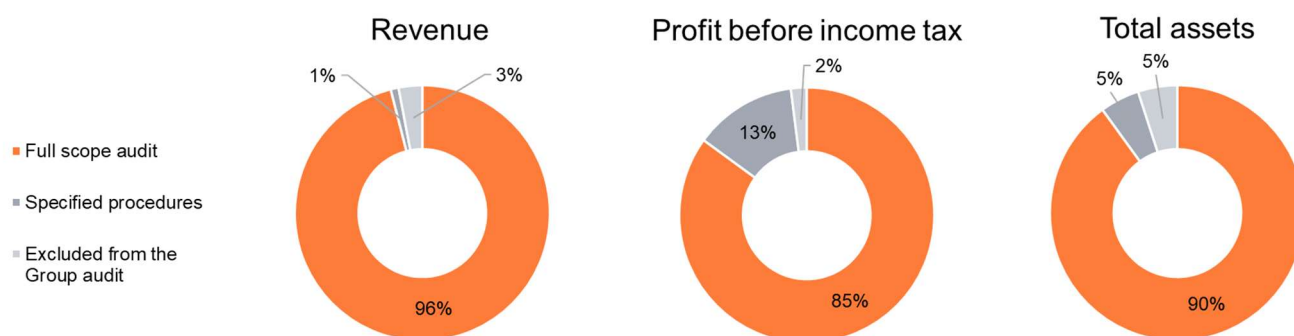
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group's principal production assets and hydrocarbon fields are located in the Republic of Kazakhstan, the Group also has productions assets in Romania and other countries. The Group's activities comprise the exploration and production of oil and gas, transportation, refining and marketing of hydrocarbons and petroleum products. The Group's trading activities are carried out in the Republic of Kazakhstan, as well as abroad through its subsidiaries. The Group conducts its operations through thirty-eight subsidiaries, twenty-three joint ventures and three associates.

The scope of our audit work for the Group included the Company, eleven subsidiaries and three joint ventures audited by us; one subsidiary audited by another PwC network firm; and four subsidiaries, six joint ventures and two associates audited by other auditors.

Based on our assessment, we included the Company and twenty-seven components in the scope of our audit, including twelve components audited by other auditors.

To achieve appropriate audit coverage of the identified risks, our selection was based on the relative significance of the components within the Group or on specific risks identified. The components within our audit scope represented the following percentages of the Group <sup>(1)</sup>:



(1) Percentages of the Group's consolidated results as at 31 December 2025 or for the year then ended

Audit instructions for components set out the significant audit areas, materiality thresholds and specific reporting requirements. The Group audit team directed the work performed by the component auditors through a combination of interoffice and interfirm reporting, regular interactions on audit and accounting matters, periodic site visits and reviews of selected audit working papers.

By performing procedures over the components as described above, together with additional procedures carried out at the Group level, we obtained sufficient and appropriate audit evidence in relation to the consolidated financial statements as a whole, which provides a basis for our opinion.

## **Other information**

Management is responsible for the other information. The other information comprises the Annual report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Almaz Sadykov.

On behalf of PricewaterhouseCoopers LLP

*PricewaterhouseCoopers LLP*



Approved by:

*A. Konratbaev*

Azamat Konratbaev  
Managing Director  
PricewaterhouseCoopers LLP  
(General State License of the Ministry of  
Finance of the Republic of Kazakhstan  
№00000005 dated 21 October 1999)

Signed by:

*Almaz Sadykov*



Almaz Sadykov  
Auditor in charge  
(Qualified Auditor's Certificate  
№МФ-0000745 dated 8 February 2019)

5 March 2026  
Astana, Kazakhstan



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For the year ended December 31, 2025**

| <i>In millions of tenge</i>                                                                                                       | <b>Note</b> | <b>2025</b>        | <b>2024</b> |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------|-------------|
| <b>Revenue and other income</b>                                                                                                   |             |                    |             |
| Revenue from contracts with customers                                                                                             | 6           | <b>9,371,488</b>   | 8,330,261   |
| Share in profit of joint ventures and associates, net                                                                             | 7           | <b>780,635</b>     | 531,230     |
| Gain from disposal of subsidiary                                                                                                  | 5           | <b>3,000</b>       | 16,410      |
| Interest revenue calculated using the effective interest method                                                                   | 14          | <b>197,959</b>     | 184,392     |
| Other finance income                                                                                                              | 14          | <b>43,005</b>      | 123,290     |
| Other operating income                                                                                                            |             | <b>48,626</b>      | 52,377      |
| <b>Total revenue and other income</b>                                                                                             |             | <b>10,444,713</b>  | 9,237,960   |
| <b>Costs and expenses</b>                                                                                                         |             |                    |             |
| Cost of purchased oil, gas, petroleum products and other materials                                                                | 8           | <b>(5,039,517)</b> | (4,347,011) |
| Production expenses                                                                                                               | 9           | <b>(1,588,607)</b> | (1,398,604) |
| Taxes other than income tax                                                                                                       | 10          | <b>(592,928)</b>   | (592,984)   |
| Depreciation, depletion and amortization                                                                                          | 35          | <b>(723,977)</b>   | (642,666)   |
| Transportation and selling expenses                                                                                               | 11          | <b>(319,088)</b>   | (267,824)   |
| General and administrative expenses                                                                                               | 12          | <b>(218,624)</b>   | (254,148)   |
| Impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses | 13          | <b>(35,762)</b>    | (69,733)    |
| Finance costs                                                                                                                     | 14          | <b>(368,055)</b>   | (346,096)   |
| Foreign exchange (loss)/gain, net                                                                                                 |             | <b>(84,012)</b>    | 185,459     |
| Recovery of expected credit losses/(expected credit losses)                                                                       |             | <b>6,744</b>       | (8,316)     |
| Other expenses                                                                                                                    |             | <b>(49,130)</b>    | (38,703)    |
| <b>Total costs and expenses</b>                                                                                                   |             | <b>(9,012,956)</b> | (7,780,626) |
| <b>Profit before income tax</b>                                                                                                   |             | <b>1,431,757</b>   | 1,457,334   |
| Income tax expenses                                                                                                               | 31          | <b>(359,703)</b>   | (363,087)   |
| <b>Net profit for the year</b>                                                                                                    |             | <b>1,072,054</b>   | 1,094,247   |

*The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

| <i>In millions of tenge</i>                                                                                             | <b>Note</b> | <b>2025</b>      | <b>2024</b> |
|-------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-------------|
| <b>Other comprehensive income/(loss)</b>                                                                                |             |                  |             |
| <i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</i>                     |             |                  |             |
| Hedging effect                                                                                                          |             | <b>9,102</b>     | (1,463)     |
| Exchange differences on translation of foreign operations                                                               |             | <b>(419,809)</b> | 1,492,858   |
| Net gain/(loss) on hedge of a net investment                                                                            | 26          | <b>92,338</b>    | (358,847)   |
| Tax effect                                                                                                              |             | <b>23,255</b>    | (90,712)    |
| <b>Net other comprehensive (loss)/income to be reclassified to profit or loss in the subsequent periods, net of tax</b> |             | <b>(295,114)</b> | 1,041,836   |
| <i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods</i>                 |             |                  |             |
| Actuarial gain on defined benefit plans of the Group                                                                    |             | <b>7,078</b>     | 870         |
| Actuarial (loss)/gain on defined benefit plans of the joint ventures                                                    |             | <b>(1,363)</b>   | 114         |
| Tax effect                                                                                                              |             | <b>(109)</b>     | 1           |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax</b>    |             | <b>5,606</b>     | 985         |
| <b>Net other comprehensive (loss)/income for the year, net of tax</b>                                                   |             | <b>(289,508)</b> | 1,042,821   |
| <b>Total comprehensive income for the year, net of tax</b>                                                              |             | <b>782,546</b>   | 2,137,068   |
| <b>Net profit/(loss) for the year attributable to:</b>                                                                  |             |                  |             |
| Equity holders of the Parent Company                                                                                    |             | <b>1,040,435</b> | 1,094,438   |
| Non-controlling interests                                                                                               |             | <b>31,619</b>    | (191)       |
|                                                                                                                         |             | <b>1,072,054</b> | 1,094,247   |
| <b>Total comprehensive income for the year attributable to:</b>                                                         |             |                  |             |
| Equity holders of the Parent Company                                                                                    |             | <b>751,216</b>   | 2,136,253   |
| Non-controlling interests                                                                                               |             | <b>31,330</b>    | 815         |
|                                                                                                                         |             | <b>782,546</b>   | 2,137,068   |
| <b>Earnings per share* – tenge thousands</b>                                                                            |             |                  |             |
| Basic and diluted                                                                                                       | 25          | <b>1.705</b>     | 1.794       |

\* The average number of ordinary shares for 2025 and 2024 equaled to 610,119,493.

Deputy Chairman of the Management Board



Chief accountant

  
D.A. Aryssova



A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2025**

| <i>In millions of tenge</i>                    | <b>Note</b> | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|------------------------------------------------|-------------|------------------------------|------------------------------|
| <b>Assets</b>                                  |             |                              |                              |
| <b>Non-current assets</b>                      |             |                              |                              |
| Exploration and evaluation assets              | 16          | 211,410                      | 216,448                      |
| Property, plant and equipment                  | 15          | 7,590,629                    | 7,834,160                    |
| Investment property                            |             | 7,912                        | 12,374                       |
| Intangible assets                              | 17          | 881,420                      | 943,156                      |
| Right-of-use assets                            | 18          | 117,083                      | 122,991                      |
| Investments in joint ventures and associates   | 20          | 4,933,962                    | 5,378,513                    |
| VAT receivable                                 |             | 38,556                       | 30,396                       |
| Advances for non-current assets                |             | 161,074                      | 88,216                       |
| Other non-current non-financial assets         |             | 9,383                        | 7,767                        |
| Loans and receivables due from related parties | 23          | 207,247                      | 121,673                      |
| Other non-current financial assets             |             | 93,319                       | 48,249                       |
| Long-term bank deposits                        | 19          | 73,271                       | 74,329                       |
| Deferred income tax assets                     | 31          | 34,539                       | 50,705                       |
|                                                |             | <b>14,359,805</b>            | <b>14,928,977</b>            |
| <b>Current assets</b>                          |             |                              |                              |
| Inventories                                    | 21          | 374,735                      | 413,741                      |
| Trade accounts receivable                      | 22          | 597,111                      | 443,057                      |
| VAT receivable                                 |             | 54,527                       | 48,408                       |
| Income tax prepaid                             | 31          | 62,515                       | 41,170                       |
| Other current non-financial assets             | 22          | 194,392                      | 180,754                      |
| Loans and receivables due from related parties | 23          | 59,584                       | 84,240                       |
| Other current financial assets                 | 22          | 71,629                       | 63,528                       |
| Short-term bank deposits                       | 19          | 1,875,464                    | 1,513,816                    |
| Cash and cash equivalents                      | 24          | 1,198,185                    | 1,216,451                    |
|                                                |             | <b>4,488,142</b>             | <b>4,005,165</b>             |
| Assets classified as held for sale             |             | <b>498</b>                   | <b>505</b>                   |
|                                                |             | <b>4,488,640</b>             | <b>4,005,670</b>             |
| <b>Total assets</b>                            |             | <b>18,848,445</b>            | <b>18,934,647</b>            |

*The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

| <i>In millions of tenge</i>                                 | <b>Note</b> | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|-------------------------------------------------------------|-------------|------------------------------|------------------------------|
| <b>Equity and liabilities</b>                               |             |                              |                              |
| <b>Equity</b>                                               |             |                              |                              |
| Share capital                                               | 25          | 916,541                      | 916,541                      |
| Additional paid-in capital                                  |             | 1,142                        | 1,142                        |
| Other equity                                                |             | 6,729                        | (2,373)                      |
| Currency translation reserve                                |             | 4,828,788                    | 5,132,868                    |
| Retained earnings                                           |             | 6,715,218                    | 5,985,894                    |
| <b>Attributable to equity holders of the Parent Company</b> |             | <b>12,468,418</b>            | <b>12,034,072</b>            |
| Non-controlling interests                                   | 25          | (82,093)                     | (109,788)                    |
| <b>Total equity</b>                                         |             | <b>12,386,325</b>            | <b>11,924,284</b>            |
| <b>Non-current liabilities</b>                              |             |                              |                              |
| Borrowings                                                  | 26          | 3,243,524                    | 3,644,111                    |
| Lease liabilities                                           | 27          | 112,295                      | 103,334                      |
| Other non-current financial liabilities                     | 29          | 1,081                        | 7,096                        |
| Provisions                                                  | 28          | 279,759                      | 308,129                      |
| Employee benefit liabilities                                |             | 71,225                       | 75,999                       |
| Other non-current non-financial liabilities                 | 29          | 67,808                       | 36,175                       |
| Deferred income tax liabilities                             | 31          | 1,274,036                    | 1,391,836                    |
|                                                             |             | <b>5,049,728</b>             | <b>5,566,680</b>             |
| <b>Current liabilities</b>                                  |             |                              |                              |
| Trade accounts payable                                      | 29          | 546,873                      | 598,787                      |
| Borrowings                                                  | 26          | 278,423                      | 323,290                      |
| Lease liabilities                                           | 27          | 16,677                       | 20,882                       |
| Other current financial liabilities                         | 29          | 179,684                      | 169,150                      |
| Provisions                                                  | 28          | 17,111                       | 19,524                       |
| Employee benefit liabilities                                |             | 7,625                        | 6,516                        |
| Income tax payable                                          | 31          | 22,688                       | 15,600                       |
| Other taxes payable                                         | 30          | 154,833                      | 83,631                       |
| Other current non-financial liabilities                     | 29          | 188,478                      | 206,303                      |
|                                                             |             | <b>1,412,392</b>             | <b>1,443,683</b>             |
| <b>Total liabilities</b>                                    |             | <b>6,462,120</b>             | <b>7,010,363</b>             |
| <b>Total equity and liabilities</b>                         |             | <b>18,848,445</b>            | <b>18,934,647</b>            |
| <b>Book value per ordinary share* – tenge thousands</b>     | <b>25</b>   | <b>18.857</b>                | <b>17.998</b>                |

\* The number of ordinary shares as of December 31, 2025 and 2024 equaled to 610,119,493. The book value per ordinary share is a non-IFRS measure, it is presented as required by KASE.

Deputy Chairman of the Management Board



Chief accountant

  
D.A. Aryssova

  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS****For the year ended December 31, 2025**

| <i>In millions of tenge</i>                                                                                                    | <b>Note</b> | <b>2025</b>      | <b>2024</b>      |
|--------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|------------------|
| <b>Cash flows from operating activities</b>                                                                                    |             |                  |                  |
| Profit before income tax                                                                                                       |             | <b>1,431,757</b> | <b>1,457,334</b> |
| <b>Adjustments:</b>                                                                                                            |             |                  |                  |
| Depreciation, depletion and amortization                                                                                       | 35          | <b>723,977</b>   | <b>642,666</b>   |
| Impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses | 13          | <b>35,762</b>    | <b>69,733</b>    |
| Gain on disposal of subsidiary                                                                                                 | 5           | <b>(3,000)</b>   | <b>(16,410)</b>  |
| Realized loss/(gain) from derivatives on petroleum products                                                                    | 9           | <b>19,060</b>    | <b>(19,502)</b>  |
| Interest revenue calculated using the effective interest method                                                                | 14          | <b>(197,959)</b> | <b>(184,392)</b> |
| Other finance income                                                                                                           | 14          | <b>(43,005)</b>  | <b>(123,290)</b> |
| Finance costs                                                                                                                  | 14          | <b>368,055</b>   | <b>346,096</b>   |
| Loss on disposal of joint venture                                                                                              |             | <b>–</b>         | <b>1,928</b>     |
| Share in profit of joint ventures and associates, net                                                                          | 7           | <b>(780,635)</b> | <b>(531,230)</b> |
| Movements in provisions                                                                                                        |             | <b>–</b>         | <b>(15,912)</b>  |
| Net foreign exchange loss/(gain)                                                                                               |             | <b>84,012</b>    | <b>(184,029)</b> |
| (Recovery)/write-off of inventories to net realizable value                                                                    |             | <b>(3,781)</b>   | <b>942</b>       |
| Loss on disposal of property, plant and equipment, intangible assets, investment property and assets held for sale, net        |             | <b>8,712</b>     | <b>5,241</b>     |
| Impairment of VAT receivable                                                                                                   | 12          | <b>3,458</b>     | <b>7,063</b>     |
| Change in financial guarantees                                                                                                 |             | <b>6,063</b>     | <b>1,765</b>     |
| VAT non-recoverable                                                                                                            | 12          | <b>4,920</b>     | <b>1,237</b>     |
| (Reversal of allowance for expected credit loss)/Allowance for expected credit loss                                            |             | <b>(6,744)</b>   | <b>8,316</b>     |
| <b>Operating profit before working capital changes</b>                                                                         |             | <b>1,650,652</b> | <b>1,467,556</b> |
| Change in VAT receivable                                                                                                       |             | <b>(23,442)</b>  | <b>6,180</b>     |
| Change in inventory                                                                                                            |             | <b>(4,248)</b>   | <b>36,690</b>    |
| Change in trade accounts receivable and other current assets                                                                   |             | <b>(295,237)</b> | <b>199,936</b>   |
| Change in trade payables and contract liabilities                                                                              |             | <b>(95,008)</b>  | <b>(142,667)</b> |
| Change in other taxes payable                                                                                                  |             | <b>73,370</b>    | <b>(134,049)</b> |
| <b>Cash generated from operations</b>                                                                                          |             | <b>1,306,087</b> | <b>1,433,646</b> |
| Dividends received from joint ventures and associates                                                                          | 20          | <b>985,262</b>   | <b>701,104</b>   |
| Income taxes paid                                                                                                              |             | <b>(281,955)</b> | <b>(182,227)</b> |
| Interest received                                                                                                              |             | <b>164,829</b>   | <b>138,511</b>   |
| Interest paid                                                                                                                  | 26, 27      | <b>(273,799)</b> | <b>(247,182)</b> |
| <b>Net cash flow from operating activities</b>                                                                                 |             | <b>1,900,424</b> | <b>1,843,852</b> |

*The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.*



**CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

| <i>In millions of tenge</i>                                                                                     | <b>Note</b> | <b>2025</b>        | <b>2024</b>        |
|-----------------------------------------------------------------------------------------------------------------|-------------|--------------------|--------------------|
| <b>Cash flows from investing activities</b>                                                                     |             |                    |                    |
| Placement of bank deposits                                                                                      |             | (3,209,635)        | (2,068,061)        |
| Withdrawal of bank deposits                                                                                     |             | 2,797,053          | 1,734,453          |
| Deferred consideration paid for the acquisition of subsidiary                                                   |             | –                  | (1,520)            |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets              |             | (667,578)          | (644,752)          |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale |             | 4,770              | 1,939              |
| Proceeds from disposal of subsidiary, net of cash disposed                                                      | 5           | 1,163              | 8,010              |
| Proceeds from disposal of share in joint venture                                                                |             | –                  | 12,995             |
| Additional contributions to joint ventures without changes in ownership                                         | 20          | (43,099)           | (74,209)           |
| Loans given to related parties                                                                                  | 32          | (74,262)           | (67,980)           |
| Repayment of loans due from related parties                                                                     | 32          | 1,524              | 45,023             |
| Acquisition of debt securities                                                                                  |             | (4,030)            | (8,041)            |
| Proceeds from sale of debt securities                                                                           |             | 2,923              | 13,736             |
| Guaranteed and other payments receivable from a joint venture participant                                       |             | –                  | 9,905              |
| Redeem of notes of the National Bank of RK                                                                      | 32          | 447,884            | 308,147            |
| Acquisition of notes of the National Bank of RK                                                                 | 32          | (446,814)          | (302,600)          |
| Proceeds from bonds redemption of Samruk-Kazyna                                                                 | 32          | 20,000             | –                  |
| Acquisition of bonds of Samruk-Kazyna                                                                           | 32          | (10,000)           | (10,000)           |
| Other                                                                                                           |             | 4,329              | –                  |
| <b>Net cash flows used in investing activities</b>                                                              |             | <b>(1,175,772)</b> | <b>(1,042,955)</b> |
| <b>Cash flows from financing activities</b>                                                                     |             |                    |                    |
| Proceeds from borrowings                                                                                        | 26          | 299,841            | 214,894            |
| Repayment of borrowings                                                                                         | 26          | (638,232)          | (647,409)          |
| Dividends paid to shareholders                                                                                  | 25          | (300,002)          | (300,002)          |
| Dividends paid to non-controlling interests                                                                     | 25          | (3,572)            | (2,759)            |
| Distribution of net assets of KazMunayGas Exploration Production JSC to non-controlling interest                |             | –                  | (5,901)            |
| Distributions to Samruk-Kazyna                                                                                  | 25          | (1,642)            | (2,059)            |
| Payment of principal portion of lease liabilities                                                               | 27          | (29,520)           | (26,118)           |
| Proceeds from the repo agreements                                                                               |             | 30,739             | 22,074             |
| Repayment of the repo agreements                                                                                |             | (32,624)           | (22,074)           |
| Other operations with Samruk-Kazyna                                                                             | 25          | (4,292)            | (6,652)            |
| Other                                                                                                           |             | (1,969)            | (4,554)            |
| <b>Net cash flows used in financing activities</b>                                                              |             | <b>(681,273)</b>   | <b>(780,560)</b>   |
| Effects of exchange rate changes on cash and cash equivalents                                                   |             | (61,633)           | 145,268            |
| Change in allowance for expected credit losses                                                                  |             | (12)               | (27)               |
| <b>Net change in cash and cash equivalents</b>                                                                  |             | <b>(18,266)</b>    | <b>165,578</b>     |
| Cash and cash equivalents, at the beginning of the year                                                         |             | 1,216,451          | 1,050,873          |
| <b>Cash and cash equivalents, at the end of the year</b>                                                        |             | <b>1,198,185</b>   | <b>1,216,451</b>   |

**Non-cash transactions**

For the year ended December 31, 2025, accounts payable for purchases of property, plant and equipment increased by 48,595 million tenge (2024: decreased by 12,851 million tenge).

Deputy Chairman of the Management Board

Chief accountant



*[Signature]*  
D.A. Aryssova

*[Signature]*  
A.S. Yesbergenova

*The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.*

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

| <i>In millions of tenge</i>                                     | Attributable to equity holders of the Parent Company |                            |              |                              |                   |                           |
|-----------------------------------------------------------------|------------------------------------------------------|----------------------------|--------------|------------------------------|-------------------|---------------------------|
|                                                                 | Share capital                                        | Additional paid-in capital | Other equity | Currency translation reserve | Retained earnings | Non-controlling interests |
| <b>As at December 31, 2023</b>                                  | 916,541                                              | 1,142                      | (910)        | 4,090,281                    | 5,488,964         | 10,496,018                |
| Net profit/(loss) for the year                                  | -                                                    | -                          | -            | -                            | 1,094,438         | 1,094,438                 |
| Other comprehensive (loss)/income                               | -                                                    | -                          | (1,463)      | 1,042,587                    | 691               | 1,041,815                 |
| <b>Total comprehensive income/(loss)</b>                        | -                                                    | -                          | (1,463)      | 1,042,587                    | 1,095,129         | 2,136,253                 |
| Dividends (Note 25)                                             | -                                                    | -                          | -            | -                            | (300,002)         | (300,002)                 |
| Distributions to Samruk-Kazyna (Note 25)                        | -                                                    | -                          | -            | -                            | (16)              | (16)                      |
| Other operations with Samruk-Kazyna (Note 25)                   | -                                                    | -                          | -            | -                            | (1,989)           | (1,989)                   |
| Transactions with Samruk-Kazyna (Note 25)                       | -                                                    | -                          | -            | -                            | (296,192)         | (296,192)                 |
| Effect of liquidation of KazMunaiGas Exploration Production JSC | -                                                    | -                          | -            | -                            | -                 | (8,379)                   |
| <b>As at December 31, 2024</b>                                  | 916,541                                              | 1,142                      | (2,373)      | 5,132,868                    | 5,985,894         | 12,034,072                |
|                                                                 |                                                      |                            |              |                              |                   | (109,788)                 |
|                                                                 |                                                      |                            |              |                              |                   | 11,924,284                |

The accounting policies and explanatory notes on pages 9 through 81 form an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

| In millions of tenge                      | Attributable to equity holders of the Parent Company |                            |                |                              |                   | Non-controlling interests | Total             |
|-------------------------------------------|------------------------------------------------------|----------------------------|----------------|------------------------------|-------------------|---------------------------|-------------------|
|                                           | Share capital                                        | Additional paid-in capital | Other equity   | Currency translation reserve | Retained earnings |                           |                   |
| <b>As at December 31, 2024</b>            | <b>916,541</b>                                       | <b>1,142</b>               | <b>(2,373)</b> | <b>5,132,868</b>             | <b>5,985,894</b>  | <b>(109,788)</b>          | <b>11,924,284</b> |
| Net profit for the year                   | -                                                    | -                          | -              | -                            | 1,040,435         | 31,619                    | 1,072,054         |
| Other comprehensive income /(loss)        | -                                                    | -                          | 9,102          | (304,080)                    | 5,759             | (289)                     | (289,508)         |
| <b>Total comprehensive income/(loss)</b>  | <b>-</b>                                             | <b>-</b>                   | <b>9,102</b>   | <b>(304,080)</b>             | <b>1,046,194</b>  | <b>31,330</b>             | <b>782,546</b>    |
| Dividends (Note 25)                       | -                                                    | -                          | -              | -                            | (300,002)         | (3,635)                   | (303,637)         |
| Distributions to Samruk-Kazyna (Note 25)  | -                                                    | -                          | -              | -                            | (4,197)           | -                         | (4,197)           |
| Transactions with Samruk-Kazyna (Note 25) | -                                                    | -                          | -              | -                            | (12,671)          | -                         | (12,671)          |
| <b>As at December 31, 2025</b>            | <b>916,541</b>                                       | <b>1,142</b>               | <b>6,729</b>   | <b>4,828,788</b>             | <b>6,715,218</b>  | <b>(82,093)</b>           | <b>12,386,325</b> |

Deputy Chairman of the Management Board



D.A. Aryssova

Chief accountant

A.S. Yesbergenova



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****For the year ended December 31, 2025**

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**1. GENERAL**

Joint stock company “National Company “KazMunayGas” (further the Company, JSC NC “KazMunayGas” or Parent Company) is oil and gas enterprise of the Republic of Kazakhstan (further RK), which was established on February 27, 2002 as a closed joint stock company pursuant to the Decree No. 811 of the President of the RK dated February 20, 2002 and the resolution of the Government of the RK (further the Government) No. 248 dated February 25, 2002. The Company was formed as a result of the merger of closed joint stock companies “National Oil and Gas Company Kazakhoil” and “National Company Transport Nefti i Gaza”. As the result of the merger, all assets and liabilities, including ownership interest in all entities owned by these companies, have been transferred to the Company. The Company was reregistered as a joint stock company in accordance with the legislation of the RK in March 2004.

Starting from June 8, 2006, the sole shareholder of the Company was joint stock company “Kazakhstan Holding Company for State Assets Management “Samruk”, which in October 2008 was merged with the state owned Sustainable Development Fund “Kazyna” and formed joint stock company “National Welfare Fund Samruk-Kazyna”, now renamed to joint stock company “Sovereign Wealth Fund Samruk-Kazyna” (further Samruk-Kazyna). The Government of RK is the sole shareholder of Samruk-Kazyna.

On August 7, 2015, the National Bank of RK (further NB RK) purchased 9.58% plus one share of the Company from Samruk-Kazyna. From December 8, 2022, 3.00% of shares of the Company are freely available on the Astana International Exchange (further AIX) and the Kazakhstan Stock Exchange (further KASE) stock exchanges. On December 22, 2023, 20.00% of the Company’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the Republic of Kazakhstan.

As at December 31, 2025, the Company has controlling interest in 38 companies (as of December 31, 2024: 41 companies), joint control over 23 companies (as of December 31, 2024: 20 companies) and significant influence on 3 companies (as of December 31, 2024: 3 companies) (jointly “the Group”).

The Company has its registered office in the RK, Astana, Dinmukhamed Kunayev, 8.

The principal activity of the Group includes, but is not limited, to the following:

- Participation in the development and implementation of the uniform public policy in the oil and gas sector;
- Representation of the state interests in subsoil use contracts through interest participation in those contracts; and
- Corporate governance and monitoring of exploration, development, production, oil servicing, processing, petrochemistry, transportation and sale of hydrocarbons and the designing, construction and maintenance of oil-and-gas pipeline and field infrastructure.

The consolidated financial statements comprise the financial statements of the Company, its controlled subsidiaries and Company’s share in results of joint ventures and associates (*Note 3*).

These consolidated financial statements of the Group were approved for issue by the Deputy Chairman of the Management Board and the Chief accountant on March 5, 2026.

**2. BASIS OF PREPARATION**

These consolidated financial statements have been prepared on a historical cost basis, except as described in the accounting policies and the notes to these consolidated financial statements. All values in these consolidated financial statements are rounded to the nearest millions, except when otherwise indicated.

**Statement of compliance**

These consolidated financial statements of the Group have been prepared in accordance with IFRS accounting standards as issued by International Accounting Standards Board (IASB).

The preparation of the consolidated financial statements in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group consolidated financial statements are disclosed in *Note 4*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**2. BASIS OF PREPARATION (continued)****Statement of compliance (continued)**

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern. The Management of the Group considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

**Foreign currency translation***Functional and presentation currency*

Items included in the financial statements of each of the Group's entities included in these consolidated financial statements are measured using the currency of the primary economic environment in which the entities operate (the functional currency). The consolidated financial statements are presented in Kazakhstani tenge (tenge or KZT), which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

*Group Companies*

The results and financial position of all of the Group's subsidiaries, joint ventures and associates (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

*Exchange rates*

Weighted average currency exchange rates established by KASE are used as official currency exchange rates in the Republic of Kazakhstan. The currency exchange rate of KASE as at December 31, 2025 was 505.53 tenge to 1 United States dollar (US dollar). This rate was used to translate monetary assets and liabilities denominated in US dollar as at December 31, 2025 (December 31, 2024: 525.11 tenge to 1 US dollar). The currency exchange rate of KASE as at March 5, 2025 was 493.36 tenge to 1 US dollar. For the year ended December 31, 2025, the Group had net foreign exchange loss of 84,012 million tenge due to fluctuations in foreign exchange rates to tenge.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION****Changes in accounting policies and disclosures*****New and amended standards and interpretations***

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended December 31, 2024, except for the adoption of new standards and interpretations effective as of January 1, 2025.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several new standards and interpretations have been published, which are mandatory for periods beginning on or after January 1, 2025.

- Amendments to IAS 21 Lack of Exchangeability (Issued on August 15, 2023 and effective for annual periods beginning on or after January 1, 2025).

The adoption of new standards and interpretations effective as of January 1, 2025 has not material impact on the Group.

**Standards issued but not yet effective**

There are new pronouncements issued as at December 31, 2025:

- IFRS 14, Regulatory Deferral Accounts (issued on January 30, 2014, and effective for annual periods beginning on or after January 1, 2026).
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on April 9, 2024, and effective for annual periods beginning on or after January 1, 2027);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on May 9, 2024, and effective for annual periods beginning on or after January 1, 2027);
- Amendments to IFRS (IFRS) 19 (issued on August 21, 2025, and effective for annual periods beginning on or after January 1, 2027);
- Annual Improvements to IFRS Accounting Standards (issued in July 2024 and effective from January 1, 2026);
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on May 30, 2024, and effective for annual periods beginning on or after January 1, 2026);
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on September 11, 2014, and effective for annual periods beginning on a date to be determined by the IASB);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on December 18, 2024, and effective from January 1, 2026);
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency (issued on November 13, 2025, and effective from January 1, 2027).

The amendments are not expected to have a material impact on the Group’s consolidated financial statements, except for IFRS 18 *Presentation and Disclosure in Financial Statements*. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

**Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has: power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee, and; the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: the contractual arrangement with the other vote holders of the investee; rights arising from other contractual arrangements; the Group’s voting rights and potential voting rights.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, revenue and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Profit or loss and each component of other comprehensive income are attributable to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

**Subsidiaries**

As at December 31, 2025 and 2024, the following direct significant subsidiaries were included in these consolidated financial statements:

| Significant entities                                            | Main activity                          | Country of incorporation | Percentage ownership |                   |
|-----------------------------------------------------------------|----------------------------------------|--------------------------|----------------------|-------------------|
|                                                                 |                                        |                          | December 31, 2025    | December 31, 2024 |
| KMG Karachaganak LLP (further KMG Karachaganak)                 | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| Kazakhturmunaï LLP                                              | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| KMG Kashagan B.V.                                               | Exploration and production             | Netherlands              | 100%                 | 100%              |
| Ozenmunaïgas JSC (further OMG)                                  | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| Embamunaïgas JSC                                                | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| Dunga Operating GmbH (further Dunga)                            | Production                             | Germany                  | 100%                 | 100%              |
| KazTransOil JSC (further KTO)                                   | Oil transportation                     | Kazakhstan               | 90%                  | 90%               |
| KazMorTransFlot LLP (further KMTF)                              | Oil transportation and construction    | Kazakhstan               | 100%                 | 100%              |
| Cooperative KazMunayGas PKI U.A.                                | Refinery and marketing of oil products | Netherlands              | 100%                 | 100%              |
| Atyrau Refinery LLP (further Atyrau Refinery)                   | Refinery                               | Kazakhstan               | 99.53%               | 99.53%            |
| Pavlodar oil chemistry refinery LLP (further Pavlodar refinery) | Refinery                               | Kazakhstan               | 100%                 | 100%              |
| KMG International N.V. (further KMG I)                          | Refinery and marketing of oil products | Netherlands              | 100%                 | 100%              |
| KMG Drilling&Services LLP                                       | Drilling services                      | Kazakhstan               | 100%                 | 100%              |

**Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in general and administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. If the contingent consideration is not within the scope of IFRS 9, it is measured at fair value through profit and loss. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Business combinations and goodwill (continued)**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

*Acquisition of subsidiaries from parties under common control*

Acquisitions of subsidiaries from parties under common control are accounted for using the pooling of interest method.

The assets and liabilities of the subsidiary transferred under common control are recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Related goodwill, if any, inherent in the Predecessor's original acquisition is also recorded in the consolidated financial statements. Any difference between the total book value of net assets, including the Predecessor's goodwill, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

The consolidated financial statements, including corresponding figures, are presented as if the subsidiary had been acquired by the Group on the date it was originally acquired by the Predecessor.

*Acquisition of joint ventures and associates from parties under common control*

Acquisition of joint ventures and associates from parties under common control are accounted for using the pooling of interest method.

The Group's share in the assets and liabilities of the joint ventures and associates transferred under common control is recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Any difference between the Group's share in the total book value of net assets, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

**Investments in associates and joint ventures**

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint venture and associates are accounted for using the equity method.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the joint venture or associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognized directly in the equity of the joint venture or associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

The aggregate of the Group's share in profit or loss of a joint venture and an associate is shown on the face of the consolidated statement of comprehensive income and represents profit or loss after tax and non-controlling interest in the subsidiaries of the joint venture or associate. The financial statements of the joint venture or associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring their accounting policies in line with those of the Group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Investments in associates and joint ventures (continued)**

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss under the item “Share in profit of joint ventures and associates, net” in the consolidated statement of comprehensive income.

Upon loss of joint control over the joint venture or significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of joint control or significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

**Oil and natural gas exploration, evaluation and development expenditure***Costs incurred before obtaining subsoil use rights (licenses)*

Costs incurred before obtaining full subsoil use rights (licenses) are expensed in the period in which they are incurred, except when costs are incurred after signing preliminary agreements with the Government of RK, in such cases costs incurred after this date are capitalized in exploration and evaluation assets.

*Subsoil use rights and property acquisition costs*

Exploration and production subsoil use rights and related property acquisition costs are capitalized within exploration and evaluation assets and subclassified as intangible. Each property under exploration and appraisal is reviewed on an annual basis to confirm that drilling activity is planned and it is not impaired. If no future activity is planned, the carrying amount of the exploration subsoil use right and related property acquisition costs is written off. Upon determination of economically recoverable reserves (‘proved reserves’ or ‘commercial reserves’) and internal approval of development, the carrying amount of the subsoil use right and related property acquisition costs held on a field-by-field basis is aggregated with exploration and evaluation assets and transferred to oil and gas assets or intangible assets.

*Exploration and evaluation costs*

Once the legal right to explore has been acquired, geological and geophysical exploration costs and costs directly associated with exploration and appraisal wells, including unsuccessful development or delineation wells are capitalized as exploration and evaluation intangible or tangible assets, according to the nature of the costs, until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors. If no expected reserves are found, the exploration and evaluation asset is tested for impairment. If extractable hydrocarbons are found and, subject to further appraisal activity, which may include the drilling of further wells, are likely to be developed commercially; the costs continue to be carried as an asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbon reserves.

All such carried costs are subject to technical, commercial and management review as well as review for impairment at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery.

When proved reserves of hydrocarbons are determined and development is sanctioned, the relevant expenditure is transferred to oil and gas assets after impairment is assessed and impairment loss recognized, if any.

When this is no longer the case, and the Group decides to relinquish the contract territory to the Government and terminate the subsoil use contracts, the assets are written off.

*Development costs*

Expenditures on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, are capitalized within oil and gas assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Oil and gas assets and other property, plant and equipment**

Oil and gas assets and other property, plant and equipment are stated at cost less accumulated depreciation, depletion and impairment.

The initial cost of an asset comprises its purchase price or construction cost, borrowing cost for long-term construction or development project, if recognition criteria is met, any costs directly attributable to bringing the asset into operation and the initial estimate of decommissioning obligation, if there is any. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Oil and gas assets are depreciated using a unit-of-production method, whereas tangible assets are depreciated over proved developed reserves and intangible assets – over proved reserves. Certain oil and gas assets with useful lives less than the remaining life of the fields or term of the subsoil use contracts are depreciated on a straight-line basis over useful lives.

Property, plant and equipment other than oil and gas assets and land principally comprise buildings, machinery and equipment, vehicles and others that are depreciated on a straight-line basis over the expected remaining useful average lives as follows:

|                            |                 |
|----------------------------|-----------------|
| Refinery assets            | 4-100 years     |
| Pipelines                  | 2-30 years      |
| Buildings and improvements | 2-100 years     |
| Machinery and equipment    | 2-30 years      |
| Vehicles                   | 3-35 years      |
| Other                      | 2-20 years      |
| Land                       | Not depreciated |

The expected useful lives of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of property, plant and equipment, inclusive of production wells which stop producing commercial quantities of hydrocarbons and are scheduled for abandonment, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period the item is derecognized.

**Intangible assets**

Intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. Intangible assets include expenditure on acquiring subsoil use rights for oil and natural gas exploration, evaluation and development, computer software and goodwill. Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Intangible assets, except for goodwill and subsoil use rights, are amortized on a straight-line basis over the expected remaining useful life. The expected useful lives of the assets are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively. Computer software costs have an estimated useful life of 3 to 7 years.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is tested for impairment annually (as at December 31) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Impairment of exploration and evaluation assets**

Exploration and evaluation assets are tested for impairment when reclassified to oil and gas development tangible and intangible assets or whenever facts and circumstances indicate impairment.

One or more of the following facts and circumstances indicate that the Group should test exploration and evaluation assets for impairment (the list is not exhaustive):

- The period for which the Group entity has the right to explore and appraise in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on the further exploration for and evaluation of hydrocarbon resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of hydrocarbon resources in the specific area have not led to the discovery of commercially viable quantities of hydrocarbon resources and the Group entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**Asset retirement obligation (decommissioning)**

Provision for decommissioning is recognized in full, on a discounted cash flow basis, when the Group has an obligation to dismantle and remove a facility or an item of plant, property and equipment and to restore the site on which it is located, and when a reasonable estimate of that provision can be made. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also created. This asset is subsequently depreciated as part of the capital costs of the production and transportation facilities based on the appropriate depreciation method.

Changes in the measurement of an existing decommissioning provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or change in the discount rate, is accounted for so that:

- (a) Changes in the provision are added to, or deducted from, the cost of the related asset in the current period;
- (b) The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognized immediately in the consolidated statement of comprehensive income; and
- (c) If the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss, in accordance with IAS 36.

**Financial assets*****Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a debt financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Financial assets (continued)*****Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through profit or loss.

The Group does not have financial assets at fair value through other comprehensive income.

**Derecognition**

A financial asset is primarily derecognized (removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

***Impairment of financial assets***

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Leases**

The Group assesses at contract inception whether a contract is, or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

***The Group as a lessee***

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)*****The Group as a lessee (continued)******Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

***Lease liabilities***

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Finance lease liabilities.

**Inventories**

Inventories are stated at the lower of cost and net realizable value on a first-in first-out (FIFO) basis. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the cost of production, including the appropriate proportion of depreciation, depletion and amortization and overheads based on normal capacity. Net realizable value of crude oil and refined products is based on estimated selling price in the ordinary course of business less any costs expected to be incurred to complete the sale.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, funds held in demand deposits, repurchase and reverse repurchase agreements (“reverse repo”) and other short-term highly liquid investments with original maturities of three months or less.

**Financial assets**

Notes of the National Bank of the Republic of Kazakhstan with a maturity of up to three months are recognized as financial assets measured at amortized cost, as these investments form part of the Group's investment activities.

**Financial liabilities*****Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans borrowings and payables, or as derivatives financial instruments.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Financial liabilities (continued)***Initial recognition and measurement (continued)**Trade and other payables*

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

*Loans and borrowings*

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs.

The Group does not have financial liabilities at fair value through profit or loss.

*Financial guarantee contracts*

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the expected credit losses allowance calculated under IFRS 9 and the amount recognized less cumulative amortization, if any.

**Net investment hedges**

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or a foreign exchange gains and losses for a non-derivative is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivatives is recognized immediately in profit or loss. The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the US Dollars borrowings. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate borrowings. As at December 31, 2025 and 2024, there was no ineffective portion of the hedge.

**Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

*Provision for obligations to the Government*

The Government assigns various sponsorship and financing obligations to the Group. Management of the Group believes that such Government's assignments represent constructive obligations of the Group and require recognition on the basis of respective resolution of the Government. Furthermore, as the Government is acting as the ultimate controlling party of the Group, the expenditures on these assignments are recognized as other distributions to the Shareholders directly in the equity, in the consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Employee benefits***Pension scheme*

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state – managed retirement benefit schemes are dealt with as defined contribution plans where the Group’s obligations under the scheme are equivalent to those arising in a defined contribution retirement benefit plan.

*Long-term employee benefits*

The Group provides long-term employee benefits to employees before, on and after retirement, in accordance with the collective agreements between the Group entities and their employees. The collective agreement provides for certain one-off retirement payments, financial aid for employees’ disability, anniversaries, funeral and other benefits. The entitlement to benefits is usually conditional on the employee remaining in service up to retirement age.

The expected costs of the benefits associated with one-off retirement payments are accrued over the period of employment using the same accounting methodology as used for defined benefit post-employment plans with defined payments upon the end of employment. Actuarial gains and losses arising in the year are taken to other comprehensive income. For this purpose, actuarial gains and losses comprise both the effects of changes in actuarial assumptions and experience adjustments arising because of differences between the previous actuarial assumptions and what has actually occurred. Other movements are recognized in the current period, including current service cost, any past service cost and the effect of any curtailments or settlements.

The most significant assumptions used in accounting for defined benefit obligations are discount rate and mortality assumptions. The discount rate is used to determine the net present value of future liabilities and each year the unwinding of the discount on those liabilities is charged to the consolidated statement of comprehensive income as finance costs. The mortality assumption is used to project the future stream of benefit payments, which is then discounted to arrive at a net present value of liabilities.

Employee benefits other than one-off retirement payments are considered as other long-term employee benefits. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for the defined benefit plan. Actuarial gains and losses on other long-term employee benefits are recognized in the profit or loss. These obligations are valued by independent qualified actuaries on an annual basis.

**Revenue recognition**

Revenues are recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. Specifically, domestic sales of crude oil and gas, as well as petroleum products and materials are usually recognized when title passes. For export sales, title generally passes at the border of the RK. Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts, volume rebates and reimbursable taxes.

Sales of support services are recognized as services are performed provided that the service price can be determined and no significant uncertainties regarding the receipt of revenues exist.

The Group mainly recognizes revenue for the following types:

*Revenue from sale of crude oil and oil products*

Revenue from the sale of oil and oil products is recognized when control of the goods is transferred to the customer and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for such goods or services.

*Revenue from transportation services*

Revenue from transportation services is recognized based on the actual volumes of oil transported in the reporting period. Revenue from transportation services is recognized upon completion of transportation, since at that point the Buyer receives and consumes the benefits of the service provided. Accordingly, the Group recognizes revenue at a point in time.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Revenue recognition (continued)***Revenue from oil and oil products refinery services*

Revenue from oil and oil products refinery services is recognized if it is probable that the economic benefits will flow to the Group and if the revenue can be measured reliably, regardless of the timing of payment. Revenue from refinery services is recognized based on the actual volumes of oil refined in the reporting period. Revenue from oil and oil products refinery services is recognized upon completion of the refining process, since at that point the Buyer receives and consumes the benefits of the service provided. Accordingly, the Group recognizes revenue at a point in time.

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If the consideration was received from the customer before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue when the Group performs under the contract.

**Interest income and expense**

For all financial instruments measured at amortized cost, and interest income and interest expense are recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income and interest expense is included in finance costs in the consolidated statement of comprehensive income.

**Income taxes**

Income tax for the year comprises current income tax, alternative mineral extraction tax and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax (CIT) relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

Alternative mineral extraction tax (AMET) is treated as an income tax and forms part of income tax expense. In accordance with the applicable tax legislation, the Group accrues and pays AMET at set rates in respect of each subsoil use contract.

Deferred tax is calculated with respect to both CIT and AMET is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**Pillar II****International Tax Reform – Pillar II Model Rules – Amendments to IAS (IAS) 12 Income Taxes**

Consolidated revenue of the Group exceeds the threshold set by the Global Minimum Tax (Pillar Two) rules and is therefore subject to these rules. As of December 31, 2025, the application of Pillar Two rules does not have a significant impact on consolidated financial statements of the Group.

**Equity***Non-controlling interest*

Non-controlling interests are initially recognized in proportion to identifiable net assets at the acquisition date.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the Company's owners. Total comprehensive income is attributed to the Company's owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

*Dividends*

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are declared before the reporting date or after the reporting date but before the consolidated financial statements are authorized for issue.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities and assets, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Impairment testing assumptions**

The Group assessed the existence of impairment indicators of non-current assets and where impairment indicators were identified, the Group performed the impairment tests.

The Group’s long-term assumptions for Brent oil prices, KZT/USD exchange rate and inflation projections have been revised and are based on externally sourced forecasts and rates of the independent research organizations considering long-term market expectations. Production volumes estimates are based on proved developed and undeveloped reserves for subsidiaries, and on proved and probable reserves for significant investments in joint ventures and associates. Production period is either based on subsoil use contracts’ expiration date or on extended license period, to which the Group has strong intention to extend its licenses. Estimated production volumes are based on the Group’s production plans that are mostly used for the purposes of application filing for extension of subsoil use contracts.

Discount rates were estimated on the weighted average cost of capital of the individual cash generating unit and ranged between 10.90%-16.80% (2024: ranges between 11.22-16.42%) depending on the functional currency, production period, equity risk premium, beta and gearing ratio of the relevant CGU.

The long-term price assumptions applied were derived from Bloomberg consensus; so did the near-term commodity price assumptions, a summary of which, in real 2025 terms, is provided below:

|                                 | 2026  | 2027  | 2028  | 2029  | 2030  |
|---------------------------------|-------|-------|-------|-------|-------|
| Brent oil<br>(ICE Brent \$/bbl) | 61.00 | 64.00 | 69.24 | 69.50 | 71.03 |

For 2025 in “*Exploration and production of oil and gas*” segment net impairment charges were 26,026 million tenge (2024: 57,100 million tenge), which mainly relate to the impairment of a seawater desalination plant and supply infrastructure in Zhanaozen city in the amount of 24,145 million tenge (2024: 57,193 million) (Note 13).

For 2025 in “*Corporate*” segment net impairment charges were 19,084 million tenge (2024: 40,678 million tenge), which mainly relate the exploration and evaluation assets of Turgai Paleozoi project in the amount of 18,785 million tenge (2024: Abai project for 17,703 million tenge) (Note 13).

Headroom of the majority of oil and refining assets are sensitive to changes in price or other assumptions. The changes within next financial periods may result in recoverable amount of these assets above or below the current carrying amounts and therefore there is a risk of impairment reversals or charges in those periods.

**Oil and gas reserves**

Oil and gas reserves are a material factor in the Group’s computation of depreciation, depletion and amortization expenses. The Group estimates its oil and gas reserves in accordance with the methodology of the Society of Petroleum Engineers (SPE). In estimating its reserves under SPE methodology, the Group uses long-term planning prices. Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. Management believes that long-term planning price assumptions, which are also used by management for their business planning and investment decisions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves.

All reserve estimates involve some degree of uncertainty. The uncertainty depends mainly on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of this data.

The relative degree of uncertainty can be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Proved reserves are more certain to be recovered than unproved reserves and may be further sub-classified as developed and undeveloped to denote progressively increasing uncertainty in their recoverability.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Oil and gas reserves (continued)**

Estimates are reviewed and revised annually. Revisions occur due to the evaluation or re-evaluation of already available geological, reservoir or production data, availability of new data, or changes to underlying price assumptions. Reserve estimates may also be revised due to improved recovery projects, changes in production capacity or changes in development strategy. Proved developed reserves are used to calculate the unit of production rates for depreciation, depletion and amortization in relation to oil and gas production assets. The Group has included in proved reserves only those quantities that are expected to be produced during the initial subsoil use contract period. This is due to the uncertainties surrounding the outcome of such renewal procedures, since the renewal is ultimately at the discretion of the Government. An increase in the Group's subsoil use contract periods and corresponding increase in reported reserves would generally lead to lower depreciation, depletion and amortization expense and could materially affect earnings. A reduction in proved developed reserves will increase depreciation, depletion and amortization expense (assuming constant production), reduce income and could also result in an immediate write-down of the property's book value. Given the relatively small number of producing fields, it is possible that any changes in reserve estimates year on year could significantly affect prospective charges for depreciation, depletion and amortization.

Impairment test results are presented further in this note.

**Recoverability of oil and gas assets, downstream, refining and other assets**

The Group assesses assets or CGU for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices, discount rates, future capital requirements, operating performance (including production and sales volumes) that are subject to risk and uncertainty. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered to be impaired and is written down to its recoverable amount. In assessing recoverable values, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

***KMGI CGU, including goodwill***

As at December 31, 2025 and 2024, the Group performed impairment tests for goodwill and downstream, refining and other assets at the CGUs of KMGI: CGU Refining, CGU Petrochemicals and CGU Downstream.

The recoverable amount of KMGI CGU Refining was determined based on fair value less costs of disposal (FVLCD), which was calculated using the discounted cash flow method. The discounted cash flows were based on approved Business Plan covering 2026 – 2030. The key assumptions used in the FVLCD calculations for the CGU were operating profit, discount rates and growth rate used to extrapolate cash flows beyond the budgeted period. The impact of the revenue tax over the forecast period was considered in the analysis: the 5-year business plan cash-flows were adjusted considering the current fiscal environment. The discount rate applied in 2025 to cash flow projections was 11.64% (2024: 11.20%) and cash flows beyond the 5-year period were extrapolated using growth rate in the range from 0.065% to 0.344% (2024: negative growth rate of 0.65%).

As at December 31, 2025 and 2024, the recoverable amount of KMGI CGU exceeded its book value, as such no impairment was recognized.

***Sensitivity to changes in assumptions***

The financial model of the CGU Refining is sensitive to changes in the assumed factors, in particular sales volumes, cracks margin, discount rate and perpetuity growth rates.

| <b>Significant assumption</b> | <b>Change in assumption<br/>+/- % to the level used in test</b> | <b>Effect on recoverable amount<br/>Increase/(decrease)</b> |
|-------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------|
| Volumes                       | +/-(-1.0%)                                                      | 25,700 million tenge/<br>(25,870 million tenge)             |
| Cracks margin                 | +/-(-1.0%)                                                      | 26,102 million tenge/<br>(26,209 million tenge)             |
| Discount rate                 | +/-(-0.5%)                                                      | (22,361 million tenge)/<br>25,609 million tenge             |
| Perpetuity growth rate        | +/-(-0.4%)                                                      | 12,145 million tenge/<br>(11,343 million tenge)             |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)*****KMGI CGU, including goodwill (continued)***

The financial model of the CGU Downstream is sensitive to changes in the assumed factors, in particular gross margin, discount rate and perpetuity growth rates.

| Significant assumption | Change in assumption<br>+/- % to the level used in test | Effect on recoverable amount<br>Increase/(decrease) |
|------------------------|---------------------------------------------------------|-----------------------------------------------------|
| Gross margin           | +/( -2%)                                                | 25,095 million tenge/<br>(25,095 million tenge)     |
| Discount rate          | +/( -0.5%)                                              | (8,365 million tenge)/<br>9,181 million tenge       |
| Perpetuity growth rate | +/( -0.5%)                                              | 6,325 million tenge/<br>(7,141 million tenge)       |

***OMG CGU***

As at December 31, 2025, the Group performed an annual impairment tests of OMG CGU. The recoverable amount of OMG CGU was determined based on the value in use calculated by the Group management using the discounted cash flow method. The discounted cash flows were based on approved Business Plan covering 2026 – 2030 and forecast data up to 2050 based on a reasonable expectation of license renewal. Key assumptions include crude oil price dynamics, production volumes, operating expenses and discount rates. Projected cash flows are based on an estimate of recoverable proved and probable oil reserves prepared by an independent appraiser. The discount rate applied to the cash flow projections in 2025 was 16.4%.

As at December 31, 2025, the recoverable amount of OMG CGU exceeded its book value, as such no impairment was recognized.

***Sensitivity to changes in assumptions***

The OMG CGU financial model is sensitive to changes in significant assumptions, in particular, the crude oil sales prices, export and domestic sales volumes, the estimate of proved and probable reserves, and the discount rate.

| Significant assumption                                | Change in assumption<br>+/- % to the level used in the test                    | Effect on recoverable amount<br>Increase/(decrease) |
|-------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------|
| Brent crude oil price                                 | +/( -3%)                                                                       | 81,824 million tenge/<br>(81,824 million tenge)     |
| The selling price of crude oil on the domestic market | +/( -3%)                                                                       | 89,882 million tenge/<br>(89,882 million tenge)     |
| Export sales volumes                                  | +/( -3%)                                                                       | 54,688 million tenge/<br>(54,688 million tenge)     |
| Domestic sales volumes                                | +/( -3%)                                                                       | 85,387 million tenge/<br>85,387 million tenge       |
| Estimation of proven and probable oil reserves (2P)   | +/( -3%) change in reserve estimate (2P)<br>due to geological reinterpretation | 140,072 million tenge/<br>140,072 million tenge     |
| Discount rate                                         | + 100 basis points (17.4%)/<br>- 100 basis points (15.4%)                      | (73,529 million tenge)/<br>82,350 million tenge     |

***Pavlodar refinery, including goodwill***

As of December 31, 2025, and 2024, the Group has goodwill of 88,553 million tenge related to acquisition of Pavlodar refinery (Note 17). In December 2025 and 2024 the Group performed annual impairment test for the Pavlodar refinery goodwill. In assessing the recoverable amount, the fair value less the cost of sale was calculated, determined using a marketing scheme. The Group considered the forecast for oil tolling volumes, oil tolling tariffs, capital expenditures, among other factors, when reviewing for indicators of impairment. The recoverable amount is calculated using a discounted cash flow model. In 2025, the discount rate of 14.18% (2024: 14.12%) was calculated based on the pre-tax weighted average cost of capital. The inherent risk was included by applying an individual beta factor. The beta factor was estimated based on the publicly available market data. Forecasted cash flows till to 2035 were based on five-years business plan of Pavlodar refinery 2026-2030 years (2024: 2025-2029 years), which assumes current management estimates on potential changes in operating and capital costs. As at December 31, 2025 and 2024, the recoverable amount of goodwill, which was determined based on fair value less cost to sell, exceeded its book value, as such no impairment of Pavlodar refinery goodwill was recognized.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)*****Pavlodar refinery, including goodwill (continued)****Sensitivity to changes in assumptions*

Results of the assessment of recoverable amount of Pavlodar refinery goodwill are sensitive to changes in key assumptions, in particular, assumptions related to changes in discount rate and target EBITDA in terminal period. Increase in discount rates by 1.0% to 15.18% (2024: 1.0% to 15.12%) and decrease of target EBITDA in terminal period by 1% would not result decrease of the recoverable amount of CGU Pavlodar refinery to its carrying value.

***Other CGUs***

Revision to the Group's commodity price and other assumptions have not resulted in impairment charges in any other CGUs.

**Assets retirement obligations***Oil and gas production facilities*

Under the terms of certain subsoil use contracts, legislation and regulations the Group has legal obligations to dismantle and remove tangible assets and restore the land at each production site. Specifically, the Group's obligation relates to the ongoing closure of all non-producing wells and final closure activities such as removal of pipes, buildings and recultivation of the contract territories, and also obligations to dismantle and remove tangible assets and restore territory at each production site. Since the subsoil use contract terms cannot be extended at the discretion of the Group, the settlement date of the final closure obligations has been assumed to be the end of each subsoil use contract period. The extent of the Group's obligations to finance the abandonment of wells and for final closure costs depends on the terms of the respective subsoil use contracts and current legislation.

Where neither subsoil use contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the subsoil use contract term, no liability has been recognized. There is some uncertainty and significant judgment involved in making such a determination. Management's assessment of the presence or absence of such obligations could change with shifts in policies and practices of the Government or in the local industry practice.

The Group calculates asset retirement obligations separately for each contract. The amount of the obligation is the present value of the estimated expenditures expected to be required to settle the obligation adjusted for expected inflation and discounted using average long-term risk-free interest rates for emerging market sovereign debt adjusted for risks specific to the Kazakhstan market.

At each reporting date the Group reviews site restoration provisions, and adjusts them to reflect the current best estimate in accordance with IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

Estimating the future closure costs involves significant estimates and judgments by management. Most of these obligations are many years in the future and, in addition to ambiguities in the legal requirements, the Group's estimate can be affected by changes in asset removal technologies, costs and industry practice. The Group estimates future well abandonment cost using current year prices and the average long-term inflation rate.

The long-term inflation and discount rates used to determine the obligation of the Group entities at December 31, 2025 were in the range from 2.19% to 8.55% and from 5.8% to 14.9%, respectively (December 31, 2024: from 2.24% to 8.60% and from 6.85% to 12.15%, respectively). Long-term inflation assumptions were determined with reference to the expected timing of settlement of the decommissioning and liquidation obligation and the currency in which the related expenditures required to settle the obligation are expected to be incurred.

As at December 31, 2025 the carrying amounts of the Group's asset retirement obligations relating to decommissioning of oil and gas facilities were 142,314 million tenge (December 31, 2024: 142,009 million tenge) (*Note 28*).

*Major oil and gas pipelines*

According to the Law of the RK *On Major Pipelines* which was made effective on July 4, 2012 KTO has legal obligation to decommission its major oil pipelines at the end of their operating life and to restore the land to its original condition. Asset retirement obligation is calculated based on estimate of the work to decommission and rehabilitate. As at December 31, 2025, the carrying values of the Group's asset retirement obligations relating to decommissioning of pipelines and land were 24,053 million tenge (December 31, 2024: 37,405 million tenge) (*Note 28*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Assets retirement obligations (continued)*****Environmental remediation obligations provision (continued)***

In accordance with applicable environmental legislation, the Group has analyzed the changes and, accordingly, estimated the amount of potential liabilities related to the asset retirement and land recultivation. As at December 31, 2025, the carrying amount of the Group's assets retirement obligations were in total amount of 33,611 million tenge (31 December, 2024: 41,778 million tenge), which is equal to the present value of future cash outflows (*Notes 28 and 34*).

The Group continues to monitor this matter and will adjust for new facts and circumstances, and any clarification provided by the State body in regards to the application of the Environmental Code of the RK.

The Group also makes judgments and estimates in establishing provisions for environmental remediation obligations. Environmental expenditures are capitalized or expensed depending upon their future economic benefit. Expenditures that relate to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Liabilities are determined based on current information about costs and expected plans for remediation and are recorded on discounted basis. The Group's environmental remediation provision represents management best estimate based on an independent assessment of the anticipated expenditure necessary for the Group to remain in compliance with the current regulatory regime in Kazakhstan and Europe. The Group has classified this obligation as non-current except for the portion of costs, included in the annual budget for 2025. For environmental remediation provisions, actual costs can differ from estimates because of changes in laws and regulations, public expectations, discovery and analysis of site conditions and changes in clean-up technology. Movements in the provision for environmental remediation obligations are disclosed in *Note 28*.

**Employee benefits**

The cost of defined long-term employee benefits payable before, on and after retirement and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Taxation**

In assessing tax risks, management considers to be probable obligations the known areas of tax positions which the Group would not appeal or does not believe it could successfully appeal, if assessed by tax authorities. Such determinations inherently involve significant judgment and are subject to change as a result of changes in tax laws and regulations, amendments to the taxation terms of the Group's subsoil use contracts, the determination of expected outcomes from pending tax proceedings and current outcome of ongoing compliance audits by tax authorities. The provision for tax risks other than on income tax are disclosed under provisions for taxes in *Note 28*. Contingent liabilities for tax risks other than on income tax are disclosed in *Note 34*. Provisions and contingent liabilities related to income tax are included or disclosed as income tax liabilities or contingencies (see *Note 31 and 34*).

**Useful lives of property, plant and equipment**

The Group assesses the remaining useful lives of items of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for prospectively as a change in an accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**Fair value of financial instruments**

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments presented in the consolidated financial statements. Further details are disclosed in *Note 33*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL*****Polimer Production LLP (further - Polimer)***

On March 17, 2025, the Company and Sibur Holding PJSC signed a purchase and sale agreement for a 60% share of Polimer, subsidiary of the Company. On April 4, 2025, Polimer was re-registered. As a result, the Group lost control over Polimer and retained 40% interest.

The sale price of a 60% share in Polimer was 1,188 million tenge.

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 792 million tenge at the date of loss of control.

The Company and Sibur Holding PJSC have joint control over the Polimer where decisions about the relevant activities of Polimer require unanimous consent.

The net cash flows incurred by Polimer for the period from January 1, 2025 through the date of loss of control were as follows:

*In millions of tenge*

|                                                  |              |
|--------------------------------------------------|--------------|
| Operating                                        | (510)        |
| Investing                                        | (37)         |
| Financing                                        | 356          |
| <b>Net decrease in cash and cash equivalents</b> | <b>(191)</b> |

At the date of loss of control net liabilities of Polimer were as follows:

*In millions of tenge*

|                                                                    |                |
|--------------------------------------------------------------------|----------------|
| <b>Assets</b>                                                      |                |
| Property, plant and equipment (Note 15)                            | 974            |
| Inventories                                                        | 769            |
| Other assets                                                       | 86             |
| Cash and cash equivalents                                          | 25             |
| <b>Total assets</b>                                                | <b>1,854</b>   |
| <b>Liabilities</b>                                                 |                |
| Trade accounts payable                                             | 82             |
| Other current liabilities                                          | 2,792          |
| <b>Total liabilities</b>                                           | <b>2,874</b>   |
| <b>Net liabilities directly associated with the disposal group</b> | <b>(1,020)</b> |
| Cash consideration received at the date of disposal of subsidiary  | 1,188          |
| Fair value of 40% retained interest in a joint venture *           | 792            |
| <b>Gain from disposal of subsidiary</b>                            | <b>3,000</b>   |

\* The Group recognized 40% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Polimer.

The business of Polimer represented in the Group's Other segment.

***Karaton Operating Ltd. (further Karaton)***

On February 21, 2024, the Company and Tatneft PJSC signed a purchase and sale agreement for a 50% share of Karaton, subsidiary of the Company, holder of a contract for the production of hydrocarbons at Karaton subsoil blocks located in Atyrau region. As a result, on February 21, 2024, the Group lost control over Karaton.

The sale price of a 50% share in Karaton was 18.2 million US dollars (equivalent to 8,255 million tenge at the date of disposal of subsidiary).

On March 13, 2024, Tatneft PJSC made a payment of cash consideration in the amount of 18.2 million US dollars (equivalent to 8,188 million tenge at the date of payment).

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 8,255 million tenge at the date of loss of control.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)*****Karaton Operating Ltd. (further Karaton) (continued)***

The Company and Tatneft PJSC have joint control over the Karaton where decisions about the relevant activities of Karaton require unanimous consent.

The net cash flows incurred by Karaton for the period from January 1, 2024 through the date of loss of control are as follows:

*In millions of tenge*

|                                                  |              |
|--------------------------------------------------|--------------|
| Investing                                        | (118)        |
| <b>Net decrease in cash and cash equivalents</b> | <b>(118)</b> |

At the date of loss of control net assets of Karaton were as follows:

*In millions of tenge*

|                                                                   |               |
|-------------------------------------------------------------------|---------------|
| <b>Assets</b>                                                     |               |
| Exploration and evaluation assets (Note 16)                       | 291           |
| Property, plant and equipment (Note 15)                           | 28            |
| Other assets                                                      | 21            |
| Cash and cash equivalents                                         | 178           |
| <b>Total assets</b>                                               | <b>518</b>    |
| <b>Liabilities</b>                                                |               |
| Trade accounts payable                                            | 5             |
| Other current liabilities                                         | 413           |
| <b>Total liabilities</b>                                          | <b>418</b>    |
| <b>Net assets directly associated with the disposal group</b>     | <b>100</b>    |
| Cash consideration received at the date of disposal of subsidiary | 8,255         |
| Fair value of 50% retained interest in a joint venture (Note 20)* | 8,255         |
| <b>Gain from disposal of subsidiary</b>                           | <b>16,410</b> |

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Karaton.

The business of Karaton represented in the Group's *Exploration and production of oil and gas* segment.

**6. REVENUE FROM CONTRACTS WITH CUSTOMERS**

| <i>In millions of tenge</i>          | <b>2025</b>      | <b>2024</b> |
|--------------------------------------|------------------|-------------|
| <b>Type of goods and services</b>    |                  |             |
| Sales of crude oil and gas           | <b>4,755,386</b> | 4,695,223   |
| Sales of refined products            | <b>3,587,498</b> | 2,697,812   |
| Oil transportation services          | <b>257,909</b>   | 240,728     |
| Refining of oil and oil products     | <b>247,740</b>   | 258,530     |
| Other revenue                        | <b>522,955</b>   | 437,968     |
|                                      | <b>9,371,488</b> | 8,330,261   |
| <b>Geographical markets</b>          |                  |             |
| UAE                                  | <b>2,299,934</b> | 1,850,402   |
| Kazakhstan                           | <b>2,005,993</b> | 1,602,854   |
| Romania                              | <b>1,501,531</b> | 1,198,203   |
| Switzerland                          | <b>1,454,275</b> | 1,852,928   |
| The Netherlands                      | <b>676,440</b>   | 741,826     |
| Other countries                      | <b>1,433,315</b> | 1,084,048   |
|                                      | <b>9,371,488</b> | 8,330,261   |
| <b>Timing of revenue recognition</b> |                  |             |
| At a point in time                   | <b>9,091,871</b> | 8,093,554   |
| Over time                            | <b>279,617</b>   | 236,707     |
|                                      | <b>9,371,488</b> | 8,330,261   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)**

For the year ended December 31, 2025, major customers of the Group, BGN INT DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise about 23% and 13%, respectively, of total revenues of the Group (for the year ended December 31, 2024, major customers of the Group, PETRACO ENERGIES DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise about 20% and 18%, respectively, of total revenues of the Group).

**7. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET**

| <i>In millions of tenge</i>                        | <b>2025</b>    | <b>2024</b> |
|----------------------------------------------------|----------------|-------------|
| <b>Joint ventures</b>                              |                |             |
| Tengizchevroil LLP                                 | <b>412,459</b> | 303,480     |
| KC Energy Group LLP *                              | <b>64,559</b>  | 27,288      |
| Mangistau Investments B.V. Group (MMG)             | <b>51,310</b>  | 35,726      |
| Valsera Holdings B.V. Group (PKOP)                 | <b>20,990</b>  | (177)       |
| KazGerMunay LLP                                    | <b>17,139</b>  | 25,336      |
| Kazakhstan-China Pipeline LLP                      | <b>16,540</b>  | 20,844      |
| Kazakhoil-Aktobe LLP                               | <b>3,367</b>   | 5,986       |
| KazRosGas LLP                                      | <b>3,020</b>   | 19,157      |
| PETROSUN LLP *                                     | <b>529</b>     | 26,238      |
| Kazakhstan Petrochemical Industries Inc. LLP (KPI) | <b>(855)</b>   | (5,210)     |
| Teniz Service LLP                                  | <b>(1,270)</b> | (1,742)     |
| Ural Group Limited                                 | <b>(5,213)</b> | (8,961)     |
| Other                                              | <b>6,020</b>   | (2,185)     |
|                                                    | <b>588,595</b> | 445,780     |
| <b>Associates</b>                                  |                |             |
| Caspian Pipeline Consortium                        | <b>182,947</b> | 81,525      |
| PetroKazakhstan Inc.                               | <b>2,680</b>   | 2,253       |
| Other                                              | <b>6,413</b>   | 1,672       |
|                                                    | <b>192,040</b> | 85,450      |
|                                                    | <b>780,635</b> | 531,230     |

\* *KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. The activities of PETROSUN LLP were transferred to KC Energy Group LLP. PETROSUN LLP is on the process of liquidation.*

**8. COST OF PURCHASED OIL, GAS, PETROLEUM PRODUCTS AND OTHER MATERIALS**

| <i>In millions of tenge</i>             | <b>2025</b>      | <b>2024</b> |
|-----------------------------------------|------------------|-------------|
| Purchased oil for resale                | <b>3,604,276</b> | 3,380,238   |
| Cost of oil for refining                | <b>667,485</b>   | 338,490     |
| Materials and supplies                  | <b>535,495</b>   | 552,810     |
| Purchased petroleum products for resale | <b>232,261</b>   | 75,473      |
|                                         | <b>5,039,517</b> | 4,347,011   |

**9. PRODUCTION EXPENSES**

| <i>In millions of tenge</i>                                 | <b>2025</b>      | <b>2024</b> |
|-------------------------------------------------------------|------------------|-------------|
| Payroll                                                     | <b>657,761</b>   | 606,560     |
| Repair and maintenance                                      | <b>301,355</b>   | 272,584     |
| Energy                                                      | <b>171,745</b>   | 125,666     |
| Transportation costs                                        | <b>144,711</b>   | 156,399     |
| Tanker chartering                                           | <b>62,363</b>    | 86,608      |
| Change in finished goods and work-in-progress               | <b>24,204</b>    | (12,197)    |
| Social contributions                                        | <b>21,838</b>    | 17,900      |
| Realized loss/(gain) from derivatives on petroleum products | <b>19,060</b>    | (19,502)    |
| Environmental protection                                    | <b>18,606</b>    | 15,015      |
| Security expenses                                           | <b>18,079</b>    | 16,016      |
| Short-term lease expenses                                   | <b>7,373</b>     | 5,769       |
| (Recovery)/write-off of inventories to net realizable value | <b>(4,554)</b>   | 1,485       |
| Others                                                      | <b>146,066</b>   | 126,301     |
|                                                             | <b>1,588,607</b> | 1,398,604   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****10. TAXES OTHER THAN INCOME TAX**

| <i>In millions of tenge</i>  | <b>2025</b>    | <b>2024</b> |
|------------------------------|----------------|-------------|
| Excise                       | <b>168,337</b> | 120,114     |
| Export customs duty          | <b>113,444</b> | 124,941     |
| Rent tax on crude oil export | <b>112,730</b> | 139,656     |
| Mineral extraction tax       | <b>73,836</b>  | 99,446      |
| Social tax                   | <b>60,699</b>  | 50,921      |
| Property tax                 | <b>34,648</b>  | 33,345      |
| Turnover tax                 | <b>17,142</b>  | 14,472      |
| Other taxes                  | <b>12,092</b>  | 10,089      |
|                              | <b>592,928</b> | 592,984     |

**11. TRANSPORTATION AND SELLING EXPENSES**

| <i>In millions of tenge</i> | <b>2025</b>    | <b>2024</b> |
|-----------------------------|----------------|-------------|
| Transportation              | <b>228,786</b> | 200,844     |
| Payroll                     | <b>25,845</b>  | 21,552      |
| Third party services        | <b>16,780</b>  | 12,731      |
| Maintenance                 | <b>11,557</b>  | 8,646       |
| Other                       | <b>36,120</b>  | 24,051      |
|                             | <b>319,088</b> | 267,824     |

**12. GENERAL AND ADMINISTRATIVE EXPENSES**

| <i>In millions of tenge</i>  | <b>2025</b>    | <b>2024</b> |
|------------------------------|----------------|-------------|
| Payroll                      | <b>92,503</b>  | 93,824      |
| Trust management expenses    | <b>19,157</b>  | 53,276      |
| Consulting services          | <b>17,371</b>  | 16,531      |
| Social payments              | <b>11,313</b>  | 6,825       |
| Maintenance                  | <b>8,559</b>   | 8,926       |
| VAT non-recoverable          | <b>4,920</b>   | 1,237       |
| Impairment of VAT receivable | <b>3,458</b>   | 7,063       |
| Communication                | <b>880</b>     | 2,218       |
| Other                        | <b>60,463</b>  | 64,248      |
|                              | <b>218,624</b> | 254,148     |

For 2025, the total payroll amounted to 776,109 million tenge (2024: 721,936 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in the consolidated statement of comprehensive income.

For 2025, the Group recognized remuneration to JSC NC QazaqGaz, a subsidiary of Samruk-Kazyna, for the services of trust management of a 50% interest in KazRosGaz LLP, a joint venture, in the amount of 19,157 million tenge as trust management expenses in these consolidated financial statements (2024: 53,276 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****13. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES**

| <i>In millions of tenge</i>                                      | <b>2025</b>   | <b>2024</b> |
|------------------------------------------------------------------|---------------|-------------|
| <b>Impairment charge and reversal</b>                            |               |             |
| Property, plant and equipment                                    | <b>15,298</b> | 65,401      |
| Intangible assets (Note 17)                                      | <b>120</b>    | -           |
| Non-current advances for fixed assets                            | -             | (17,324)    |
|                                                                  | <b>15,418</b> | 48,077      |
| <b>Exploration expenses (impairment and write-off) (Note 16)</b> |               |             |
| Turgai Paleozoi project                                          | <b>18,785</b> | -           |
| Barlau                                                           | <b>1,323</b>  | -           |
| Abai project                                                     | -             | 17,703      |
| Aktoty and Kairan project                                        | -             | 3,953       |
| Other                                                            | <b>236</b>    | -           |
|                                                                  | <b>20,344</b> | 21,656      |
|                                                                  | <b>35,762</b> | 69,733      |

Impairment charge and (reversal) was recognized for the following CGUs:

| <i>In millions of tenge</i> | <b>2025</b>     | <b>2024</b> |
|-----------------------------|-----------------|-------------|
| Seawater desalination plant | <b>24,145</b>   | 53,197      |
| CGUs of KTO, KMTF and KMG I | <b>(11,332)</b> | 1,010       |
| Drilling jack-up rig        | -               | (16,189)    |
| Others                      | <b>2,605</b>    | 10,059      |
|                             | <b>15,418</b>   | 48,077      |

**Impairment of property, plant and equipment***Impairment of a seawater desalination plant and supply infrastructure*

In 2023 as part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group considers the recoverable amount of this asset to be nil and, accordingly, recognized an impairment loss on construction costs incurred during 2025 in the amount of 24,145 million tenge. (In 2024, the Group recognized an impairment loss in the amount of 70,521 million tenge and reversed the provision recognized in 2023 in respect of the advance paid for the construction of the desalination plant in the amount of 17,324 million tenge). In December 2025, the desalination plant was transferred to the Akimat of the Mangystau Region.

*Exploration expenses*

For the year ended December 31, 2025, the Group recognized an impairment loss on exploration and evaluation assets related to the Turgai Paleozoic project in the amount of 18,785 million tenge due to negative drilling results and the absence of hydrocarbon indications in the well.

For the year ended December 31, 2024, the Group recognized impairment loss of 17,703 million tenge on exploration and evaluation assets relating to Abai project due to negative drilling results and the absence of signs of hydrocarbon reserves in the well.

**14. INTEREST INCOME, OTHER FINANCE INCOME / FINANCE COST****Interest revenue calculated using the effective interest method**

| <i>In millions of tenge</i>                                         | <b>2025</b>    | <b>2024</b> |
|---------------------------------------------------------------------|----------------|-------------|
| Interest income on bank deposits, financial assets, loans and bonds | <b>191,896</b> | 182,627     |
| Other                                                               | <b>6,063</b>   | 1,765       |
|                                                                     | <b>197,959</b> | 184,392     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****14. INTEREST INCOME, OTHER FINANCE INCOME / FINANCE COST (continued)****Other finance income**

| <i>In millions of tenge</i>                                                                           | <b>2025</b>   | <b>2024</b> |
|-------------------------------------------------------------------------------------------------------|---------------|-------------|
| Derecognition of loan (Note 26)                                                                       | <b>24,775</b> | 48,442      |
| Revaluation of financial assets at fair value through profit or loss                                  | <b>3,430</b>  | 6,806       |
| Recognition of a change in the fair value of a financial instrument due to its modification (Note 26) | –             | 59,769      |
| Other                                                                                                 | <b>14,800</b> | 8,273       |
|                                                                                                       | <b>43,005</b> | 123,290     |

**Finance costs**

| <i>In millions of tenge</i>                                                                                        | <b>2025</b>    | <b>2024</b> |
|--------------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Interest expense on loans and bonds (Note 26)                                                                      | <b>284,485</b> | 279,227     |
| Interest expense on lease liabilities (Note 27)                                                                    | <b>9,343</b>   | 8,444       |
| <b>Interest expense</b>                                                                                            | <b>293,828</b> | 287,671     |
| Unwinding of discount on asset retirement obligations, for environmental obligation and other provisions (Note 28) | <b>21,440</b>  | 18,870      |
| Unwinding of discount on long-term accounts receivable (Note 32)                                                   | <b>1,668</b>   | 8,741       |
| Unwinding of discount on employee benefits obligations                                                             | <b>8,365</b>   | 7,648       |
| Other                                                                                                              | <b>42,754</b>  | 23,166      |
|                                                                                                                    | <b>368,055</b> | 346,096     |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****15. PROPERTY, PLANT AND EQUIPMENT**

| <i>In millions of tenge</i>                                   | <b>Oil and<br/>gas assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and improve-<br/>ments</b> | <b>Machinery<br/>and equip-<br/>ment</b> | <b>Vehicles</b> | <b>Other</b> | <b>Capital work<br/>in progress</b> | <b>Total</b> |
|---------------------------------------------------------------|-------------------------------|------------------|----------------------------|---------------------------------------------|------------------------------------------|-----------------|--------------|-------------------------------------|--------------|
| <b>Net book value as at<br/>December 31, 2023</b>             | 4,647,662                     | 261,762          | 1,008,653                  | 243,107                                     | 375,432                                  | 78,095          | 114,411      | 442,120                             | 7,171,242    |
| Foreign currency translation                                  | 571,416                       | 6,245            | 33,626                     | 13,340                                      | 9,007                                    | 4,495           | 12,631       | 35,800                              | 686,560      |
| Change in estimate for asset<br>retirement obligations        | (8,763)                       | (7,341)          | (2,770)                    | (3,197)                                     | 687                                      | –               | –            | –                                   | (21,384)     |
| Additions                                                     | 56,890                        | 59               | 69,497                     | 947                                         | 7,706                                    | 10,187          | 3,910        | 519,302                             | 668,498      |
| Disposals                                                     | (38,605)                      | (59)             | (5,681)                    | (6,650)                                     | (7,267)                                  | (3,124)         | (7,612)      | (2,217)                             | (71,215)     |
| Loss of control over subsidiaries<br>(Note 5)                 | –                             | –                | –                          | –                                           | –                                        | –               | (28)         | –                                   | (28)         |
| Depreciation charge                                           | (390,800)                     | (11,358)         | (100,757)                  | (13,150)                                    | (32,356)                                 | (14,141)        | (10,424)     | –                                   | (572,986)    |
| Accumulated depreciation and<br>impairment on disposals       | 31,438                        | 59               | 5,607                      | 6,439                                       | 7,046                                    | 3,069           | 6,349        | 1,857                               | 61,864       |
| Impairment                                                    | –                             | –                | (5,344)                    | (4,369)                                     | (293)                                    | (2,201)         | –            | (72,651)                            | (84,858)     |
| Reversal of impairment                                        | –                             | –                | 1,673                      | 1,427                                       | 16,278                                   | 1               | 12           | 66                                  | 19,457       |
| Transfers from exploration and<br>evaluation assets (Note 16) | 58                            | –                | –                          | –                                           | –                                        | –               | –            | –                                   | 58           |
| Transfers to investment property                              | –                             | –                | (425)                      | (6,273)                                     | (27)                                     | –               | (3)          | –                                   | (6,728)      |
| Other changes                                                 | 51                            | (4)              | 174                        | (301)                                       | 59                                       | (1)             | 485          | (16,783)                            | (16,320)     |
| Transfers                                                     | 231,203                       | 4,322            | 50,335                     | 36,164                                      | 26,561                                   | 7,687           | 7,487        | (363,759)                           | –            |
| <b>Net book value as at<br/>December 31, 2024</b>             | 5,100,550                     | 253,685          | 1,054,588                  | 267,484                                     | 402,833                                  | 84,067          | 127,218      | 543,735                             | 7,834,160    |
| At cost                                                       | 8,656,287                     | 425,890          | 3,205,635                  | 681,123                                     | 840,291                                  | 259,995         | 292,885      | 710,089                             | 15,072,195   |
| Accumulated depreciation and<br>impairment                    | (3,555,737)                   | (172,205)        | (2,151,047)                | (413,639)                                   | (437,458)                                | (175,928)       | (165,667)    | (166,354)                           | (7,238,035)  |
| <b>Net book value as at<br/>December 31, 2024</b>             | 5,100,550                     | 253,685          | 1,054,588                  | 267,484                                     | 402,833                                  | 84,067          | 127,218      | 543,735                             | 7,834,160    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****15. PROPERTY, PLANT AND EQUIPMENT (continued)**

| <i>In millions of tenge</i>                                   | <b>Oil and<br/>gas assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and<br/>improve-<br/>ments</b> | <b>Machinery<br/>and equip-<br/>ment</b> | <b>Vehicles</b> | <b>Other</b>   | <b>Capital work<br/>in progress</b> | <b>Total</b>     |
|---------------------------------------------------------------|-------------------------------|------------------|----------------------------|-------------------------------------------------|------------------------------------------|-----------------|----------------|-------------------------------------|------------------|
| <b>Net book value as at<br/>December 31, 2024</b>             | 5,100,550                     | 253,685          | 1,054,588                  | 267,484                                         | 402,833                                  | 84,067          | 127,218        | 543,735                             | 7,834,160        |
| Foreign currency translation                                  | (151,929)                     | (1,652)          | (8,946)                    | (4,182)                                         | (4,237)                                  | (1,082)         | (3,714)        | (6,624)                             | (182,366)        |
| Change in estimate for asset<br>retirement obligations        | (13,695)                      | (9,225)          | (12,734)                   | (4,890)                                         | –                                        | –               | 5              | –                                   | (40,539)         |
| Additions                                                     | 34,628                        | 1,135            | 1,611                      | 4,142                                           | 15,589                                   | 13,707          | 3,551          | 564,435                             | 638,798          |
| Disposals, net                                                | (2,108)                       | (340)            | (62)                       | (2,630)                                         | (1,223)                                  | (29)            | (390)          | (244)                               | (7,026)          |
| Loss of control over subsidiaries<br>(Note 5)                 | –                             | –                | –                          | (944)                                           | (21)                                     | –               | (9)            | –                                   | (974)            |
| Depreciation charge                                           | (446,040)                     | (12,377)         | (109,494)                  | (16,676)                                        | (35,505)                                 | (15,646)        | (10,559)       | –                                   | (646,297)        |
| Impairment                                                    | (220)                         | (26)             | –                          | (1,247)                                         | (50)                                     | (220)           | (204)          | (27,479)                            | (29,446)         |
| Reversal of impairment                                        | –                             | –                | 3,000                      | –                                               | 66                                       | 3,693           | 7,042          | 347                                 | 14,148           |
| Transfers from exploration and<br>evaluation assets (Note 16) | 4,741                         | –                | –                          | –                                               | –                                        | –               | –              | –                                   | 4,741            |
| Transfers from/(to) investment<br>property, net               | –                             | –                | 17                         | 4,235                                           | –                                        | –               | (11)           | –                                   | 4,241            |
| Other changes                                                 | (138)                         | (8)              | 136                        | –                                               | 27                                       | (3)             | 1,150          | 25                                  | 1,189            |
| Transfers                                                     | 261,279                       | 82,206           | 92,384                     | 26,924                                          | 83,832                                   | 28,580          | 8,478          | (583,683)                           | –                |
| <b>Net book value as at<br/>December 31, 2025</b>             | <b>4,787,068</b>              | <b>313,398</b>   | <b>1,020,500</b>           | <b>272,216</b>                                  | <b>461,311</b>                           | <b>113,067</b>  | <b>132,557</b> | <b>490,512</b>                      | <b>7,590,629</b> |
| At cost                                                       | 8,613,222                     | 490,533          | 3,211,055                  | 676,711                                         | 911,790                                  | 295,755         | 292,996        | 575,795                             | 15,067,857       |
| Accumulated depreciation and<br>impairment                    | (3,826,154)                   | (177,135)        | (2,190,555)                | (404,495)                                       | (450,479)                                | (182,688)       | (160,439)      | (85,283)                            | (7,477,228)      |
| <b>Net book value as at<br/>December 31, 2025</b>             | <b>4,787,068</b>              | <b>313,398</b>   | <b>1,020,500</b>           | <b>272,216</b>                                  | <b>461,311</b>                           | <b>113,067</b>  | <b>132,557</b> | <b>490,512</b>                      | <b>7,590,629</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****15. PROPERTY, PLANT AND EQUIPMENT (continued)**

For the year ended December 31, 2025, the Group capitalized to the carrying amount of property, plant and equipment borrowing costs in the amount of 9,126 million tenge related to the construction of new assets at the range of capitalized interest rate from 5.12% to 19.50% (as at December 31, 2024: 3,718 million tenge at the range of capitalized interest rate from 5.71% to 15.75%).

As at December 31, 2025, the cost of fully depreciated but still in use property, plant and equipment was 451,934 million tenge (as at December 31, 2024: 404,898 million tenge).

As at December 31, 2025, property, plant and equipment with the net book value of 156,810 million tenge were mainly pledged as collateral to secure borrowings of the Group (as at December 31, 2024: 163,170 million tenge).

Capital commitments are disclosed in *Note 34*.

**16. EXPLORATION AND EVALUATION ASSETS**

| <i>In millions of tenge</i>                                  | <b>Tangible</b> | <b>Intangible</b> | <b>Total</b>   |
|--------------------------------------------------------------|-----------------|-------------------|----------------|
| <b>Net book value as at December 31, 2023</b>                | 157,025         | 17,162            | 174,187        |
| Additions                                                    | 26,063          | 13,058            | 39,121         |
| Foreign currency translation                                 | 21,217          | –                 | 21,217         |
| Change in estimate                                           | 4,008           | –                 | 4,008          |
| Transfer to property, plant and equipment ( <i>Note 15</i> ) | (58)            | –                 | (58)           |
| Impairment ( <i>Note 13</i> )                                | (20,647)        | (1,009)           | (21,656)       |
| Loss of control over subsidiaries ( <i>Note 5</i> )          | (191)           | (100)             | (291)          |
| Other transfers                                              | 84              | (84)              | –              |
| Write-off                                                    | –               | (80)              | (80)           |
| <b>Net book value as at December 31, 2024</b>                | <b>187,501</b>  | <b>28,947</b>     | <b>216,448</b> |
| Additions                                                    | 14,398          | 14,754            | 29,152         |
| Foreign currency translation                                 | (5,839)         | –                 | (5,839)        |
| Change in estimate                                           | 932             | –                 | 932            |
| Transfer to property, plant and equipment ( <i>Note 15</i> ) | (4,741)         | –                 | (4,741)        |
| Transfer to intangible assets ( <i>Note 17</i> )             | –               | (412)             | (412)          |
| Impairment ( <i>Note 13</i> )                                | (18,921)        | (1,423)           | (20,344)       |
| Write-off                                                    | (3,735)         | (51)              | (3,786)        |
| <b>Net book value as at December 31, 2025</b>                | <b>169,595</b>  | <b>41,815</b>     | <b>211,410</b> |

As at December 31, 2025 and 2024, the exploration and evaluation assets are represented by the following projects:

| <i>In millions of tenge</i>                | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|--------------------------------------------|------------------------------|----------------------|
| North Caspian project                      | 156,655                      | 161,838              |
| Projects for geological exploration        | 40,185                       | 27,199               |
| Eastern Bekturly project                   | 4,804                        | 4,615                |
| Karazhar project                           | 4,317                        | 247                  |
| Taisoigan project                          | 2,335                        | 2,711                |
| Turgai paleozoi project ( <i>Note 13</i> ) | –                            | 14,604               |
| Other                                      | 3,114                        | 5,234                |
|                                            | <b>211,410</b>               | 216,448              |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****17. INTANGIBLE ASSETS**

| <i>In millions of tenge</i>                          | <b>Licenses</b> | <b>Subsoil use<br/>rights (under<br/>production)</b> | <b>Goodwill</b> | <b>Marketing<br/>related<br/>intangible<br/>assets</b> | <b>Software</b> | <b>Other</b> | <b>Total</b> |
|------------------------------------------------------|-----------------|------------------------------------------------------|-----------------|--------------------------------------------------------|-----------------|--------------|--------------|
| <b>Net book value as at December 31, 2023</b>        | 483,309         | 198,376                                              | 110,258         | 26,809                                                 | 17,266          | 47,265       | 883,283      |
| Foreign currency translation                         | 71,153          | 29,423                                               | 1,846           | 4,161                                                  | 882             | 2,243        | 109,708      |
| Additions                                            | 1,100           | 151                                                  | –               | –                                                      | 3,619           | 3,752        | 8,622        |
| Disposals                                            | (319)           | –                                                    | –               | –                                                      | (1,736)         | (219)        | (2,274)      |
| Amortization charge                                  | (32,175)        | (10,115)                                             | –               | –                                                      | (5,472)         | (1,539)      | (49,301)     |
| Accumulated amortization and impairment on disposals | 319             | –                                                    | –               | –                                                      | 1,720           | 56           | 2,095        |
| Other changes                                        | 1,002           | –                                                    | –               | –                                                      | 1,320           | (2,322)      | –            |
| Transfers                                            | –               | 387                                                  | –               | –                                                      | 83              | (9,447)      | (8,977)      |
| <b>Net book value as at December 31, 2024</b>        | 524,389         | 218,222                                              | 112,104         | 30,970                                                 | 17,682          | 39,789       | 943,156      |
| Foreign currency translation                         | (18,386)        | (7,776)                                              | (512)           | (1,155)                                                | (209)           | (621)        | (28,659)     |
| Change in estimate                                   | –               | (94)                                                 | –               | –                                                      | –               | –            | (94)         |
| Additions                                            | 512             | 4,682                                                | –               | –                                                      | 1,710           | 7,573        | 14,477       |
| Disposals                                            | –               | (28)                                                 | –               | –                                                      | (19)            | (3,704)      | (3,751)      |
| Amortization charge                                  | (37,936)        | (10,392)                                             | –               | –                                                      | (5,386)         | (1,597)      | (55,311)     |
| Impairment                                           | –               | –                                                    | –               | –                                                      | –               | (120)        | (120)        |
| Other changes                                        | 2               | 138                                                  | –               | –                                                      | 151             | 11,431       | 11,722       |
| Transfers                                            | 1,076           | 419                                                  | –               | –                                                      | 1,116           | (2,611)      | –            |
| <b>Net book value as at December 31, 2025</b>        | 469,657         | 205,171                                              | 111,592         | 29,815                                                 | 15,045          | 50,140       | 881,420      |
| At cost                                              | 766,346         | 299,592                                              | 220,337         | 76,533                                                 | 92,969          | 124,073      | 1,579,850    |
| Accumulated amortization and impairment              | (296,689)       | (94,421)                                             | (108,745)       | (46,718)                                               | (77,924)        | (73,933)     | (698,430)    |
| <b>Net book value as at December 31, 2025</b>        | 469,657         | 205,171                                              | 111,592         | 29,815                                                 | 15,045          | 50,140       | 881,420      |
| At cost                                              | 795,467         | 306,196                                              | 220,849         | 79,497                                                 | 94,036          | 114,224      | 1,610,269    |
| Accumulated amortization and impairment              | (271,078)       | (87,974)                                             | (108,745)       | (48,527)                                               | (76,354)        | (74,435)     | (667,113)    |
| <b>Net book value as at December 31, 2024</b>        | 524,389         | 218,222                                              | 112,104         | 30,970                                                 | 17,682          | 39,789       | 943,156      |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****17. INTANGIBLE ASSETS (continued)**

As at December 31, 2025 and 2024, marketing related intangible assets were represented by trademarks of KMGI.

Carrying amount of goodwill is allocated to each of the group of cash-generating units as follows:

| <b>Cash-generating unit</b> | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------|------------------------------|----------------------|
| Pavlodar refinery CGU       | <b>88,553</b>                | 88,553               |
| CGUs of KMGI                | <b>13,225</b>                | 13,737               |
| CGU Dunga                   | <b>9,814</b>                 | 9,814                |
| <b>Total goodwill</b>       | <b>111,592</b>               | 112,104              |

In 2025 and 2024, based on the impairment test results, no impairment of Pavlodar refinery, KMGI or Dunga goodwill was recognized. For the detailed discussion of Pavlodar refinery goodwill impairment test refer to *Note 4*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****18. RIGHT-OF-USE ASSETS**

| <i>In millions of tenge</i>                          | <b>Oil and gas<br/>assets</b> | <b>Refinery<br/>assets</b> | <b>Buildings and<br/>improvements</b> | <b>Machinery and<br/>equipment</b> | <b>Vehicles</b> | <b>Other</b>  | <b>Total</b>   |
|------------------------------------------------------|-------------------------------|----------------------------|---------------------------------------|------------------------------------|-----------------|---------------|----------------|
| <b>Net book value as at December 31, 2023</b>        | 10,795                        | 5,889                      | 16,168                                | 604                                | 6,587           | 61,722        | 101,765        |
| Foreign currency translation                         | 1,509                         | 816                        | 2,010                                 | 66                                 | 28              | 10,381        | 14,810         |
| Change in estimate                                   | –                             | 88                         | 1,135                                 | 1,866                              | (382)           | 4,679         | 7,386          |
| Additions                                            | 3,343                         | –                          | 2,060                                 | 2,281                              | 3,517           | 12,589        | 23,790         |
| Disposals                                            | (6,662)                       | (18)                       | (2,215)                               | (582)                              | (925)           | (5,165)       | (15,567)       |
| Depreciation charge                                  | (6,714)                       | (371)                      | (3,311)                               | (3,172)                            | (2,063)         | (6,101)       | (21,732)       |
| Accumulated depreciation and impairment on disposals | 5,880                         | 18                         | 644                                   | 379                                | 525             | 5,093         | 12,539         |
| <b>Net book value as at December 31, 2024</b>        | <b>8,151</b>                  | <b>6,422</b>               | <b>16,491</b>                         | <b>1,442</b>                       | <b>7,287</b>    | <b>83,198</b> | <b>122,991</b> |
| Foreign currency translation                         | (223)                         | (243)                      | (648)                                 | (69)                               | (40)            | (2,863)       | (4,086)        |
| Change in estimate                                   | (325)                         | 982                        | 5,508                                 | 3,005                              | 277             | 793           | 10,240         |
| Additions                                            | 2,681                         | 48                         | 2,034                                 | 2,464                              | 5,156           | 498           | 12,881         |
| Disposals, net                                       | 1                             | –                          | (2,260)                               | –                                  | (81)            | (39)          | (2,379)        |
| Depreciation charge                                  | (6,549)                       | (400)                      | (2,966)                               | (3,781)                            | (2,334)         | (6,406)       | (22,436)       |
| Other changes                                        | –                             | –                          | –                                     | (8)                                | –               | (120)         | (128)          |
| Other transfers                                      | –                             | –                          | –                                     | –                                  | 49              | (49)          | –              |
| <b>Net book value as at December 31, 2025</b>        | <b>3,736</b>                  | <b>6,809</b>               | <b>18,159</b>                         | <b>3,053</b>                       | <b>10,314</b>   | <b>75,012</b> | <b>117,083</b> |
| At cost                                              | 20,844                        | 8,941                      | 34,042                                | 22,545                             | 11,544          | 101,156       | 199,072        |
| Accumulated depreciation and impairment              | (12,693)                      | (2,519)                    | (17,551)                              | (21,103)                           | (4,257)         | (17,958)      | (76,081)       |
| <b>Net book value as at December 31, 2024</b>        | <b>8,151</b>                  | <b>6,422</b>               | <b>16,491</b>                         | <b>1,442</b>                       | <b>7,287</b>    | <b>83,198</b> | <b>122,991</b> |
| At cost                                              | 3,900                         | 9,442                      | 37,396                                | 26,948                             | 16,704          | 98,367        | 192,757        |
| Accumulated depreciation and impairment              | (164)                         | (2,633)                    | (19,237)                              | (23,895)                           | (6,390)         | (23,355)      | (75,674)       |
| <b>Net book value as at December 31, 2025</b>        | <b>3,736</b>                  | <b>6,809</b>               | <b>18,159</b>                         | <b>3,053</b>                       | <b>10,314</b>   | <b>75,012</b> | <b>117,083</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****19. BANK DEPOSITS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|--------------------------------------------|------------------------------|----------------------|
| Denominated in US dollar                   | <b>1,943,314</b>             | 1,582,708            |
| Denominated in tenge                       | <b>5,624</b>                 | 5,662                |
| Denominated in other currencies            | <b>54</b>                    | –                    |
| Less: allowance for expected credit losses | <b>(257)</b>                 | (225)                |
|                                            | <b>1,948,735</b>             | 1,588,145            |

As at December 31, 2025, the weighted average interest rate for long-term bank deposits was 3.50% in US dollars and 7.75% in tenge (December 31, 2024: 3.54% in US dollars and 6.85% in tenge).

As at December 31, 2025, the weighted average interest rate for short-term bank deposits was 4.40% in US dollars and 4.51% in tenge (December 31, 2024: 4.88% in US dollars and 0.49% in tenge).

The original terms of placement of bank deposits are presented below:

| <i>In millions of tenge</i>      | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|----------------------------------|------------------------------|----------------------|
| Maturities under 1 year          | <b>1,875,464</b>             | 1,513,816            |
| Maturities between 1 and 2 years | <b>1,793</b>                 | 1,977                |
| Maturities over 2 years          | <b>71,478</b>                | 72,352               |
|                                  | <b>1,948,735</b>             | 1,588,145            |

As at December 31, 2025 bank deposits include those pledged as collateral with carrying value of 73.271 million tenge (December 31, 2024: 74,329 million tenge), which are represented mainly by 70.476 million tenge at restricted bank accounts designated as a liquidation fund per requirements of subsoil use contracts (December 31, 2024: 71,273 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES**

| In millions of tenge                   | Main activity                                                                                    | Place of business | December 31, 2025 |                      | December 31, 2024 |                      |
|----------------------------------------|--------------------------------------------------------------------------------------------------|-------------------|-------------------|----------------------|-------------------|----------------------|
|                                        |                                                                                                  |                   | Carrying value    | Percentage ownership | Carrying value    | Percentage ownership |
| Joint ventures                         |                                                                                                  |                   |                   |                      |                   |                      |
| Tengizchevroil LLP (TCO) <sup>1</sup>  | Oil and gas exploration and production                                                           | Kazakhstan        | 3,449,897         | 20.00%               | 3,987,223         | 20.00%               |
| Mangistau Investments B.V. Group (MMG) | Oil and gas development and production                                                           | Kazakhstan        | 227,787           | 50.00%               | 196,938           | 50.00%               |
| Silleno LLP (Silleno) <sup>3</sup>     | Construction of the first integrated gas-chemical complex                                        | Kazakhstan        | 108,049           | 40.00%               | 65,079            | 40.00%               |
| KALAMKAS-KHAZAR OPERATING LLP (KKO)    | Oil and gas development and production                                                           | Kazakhstan        | 84,370            | 50.00%               | 88,018            | 50.00%               |
| Kazakhstan-China Pipeline LLP (KCP)    | Oil transportation                                                                               | Kazakhstan        | 67,741            | 50.00%               | 66,202            | 50.00%               |
| Ural Group Limited (UGL)               | Oil and gas exploration and production                                                           | Kazakhstan        | 58,042            | 50.00%               | 67,860            | 50.00%               |
| Valsera Holdings B.V. Group (PKOP)     | Oil refining                                                                                     | Kazakhstan        | 53,725            | 50.00%               | 37,688            | 50.00%               |
| KC Energy Group (KCEG) <sup>2</sup>    | Sale of liquefied gas and oil products                                                           | Kazakhstan        | 51,705            | 49.00%               | 27,749            | 49.00%               |
|                                        | Processing and sale of natural gas and refined gas products                                      | Kazakhstan        | 48,347            | 50.00%               | 66,539            | 50.00%               |
| KazRosGas LLP (KRG)                    | Oil and gas exploration and production                                                           | Kazakhstan        | 31,431            | 50.00%               | 44,264            | 50.00%               |
| KazGerMunay LLP (KGM)                  | Production and sale of crude oil                                                                 | Kazakhstan        | 22,896            | 50.00%               | 24,028            | 50.00%               |
| Kazakhoil-Aktobe LLP (KOA)             | Sale of liquefied gas and oil products                                                           | Kazakhstan        | 9,507             | 49.00%               | 8,978             | 49.00%               |
| PETROSUN LLP <sup>2</sup> (Petrosun)   | Oil and gas development and production                                                           | Kazakhstan        | 8,284             | 50.00%               | 8,907             | 50.00%               |
| Karaton Operating Ltd. (Karaton)       | Design, construction and operation of infrastructure facilities, offshore oil operations support | Kazakhstan        | 3,727             | 48.996%              | 6,468             | 48.996%              |
| Teniz Service LLP (Teniz Service)      |                                                                                                  |                   | 84,426            |                      | 57,916            |                      |
| Other                                  |                                                                                                  |                   |                   |                      |                   |                      |
| Associates                             |                                                                                                  |                   |                   |                      |                   |                      |
|                                        |                                                                                                  | Kazakhstan /      |                   |                      |                   |                      |
| Caspian Pipeline Consortium (CPC)      | Transportation of liquid hydrocarbons                                                            | Russia            | 493,443           | 20.75%               | 484,247           | 20.75%               |
| PetroKazakhstan Inc. (PKI)             | Exploration, production and processing of hydrocarbons                                           | Kazakhstan        | 68,172            | 33.00%               | 82,175            | 33.00%               |
| Other                                  |                                                                                                  |                   | 62,413            |                      | 58,234            |                      |
|                                        |                                                                                                  |                   | 4,933,962         |                      | 5,378,513         |                      |

<sup>1</sup>The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.

<sup>2</sup>KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. The activities of PETROSUN LLP transferred to KC Energy Group LLP. PETROSUN LLP is on the process of liquidation. The share of 49% provides the Group the joint control over KC Energy Group LLP where decisions about the relevant activities require unanimous consent

<sup>3</sup>The share of 40% provides the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

All of the above joint ventures and associates are strategic for the Group's business.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

As at December 31, 2025, the Group’s share in unrecognized losses of joint ventures and associates was equal to 149,388 million tenge (December 31, 2024: 112,808 million tenge).

The following table summarizes the movements in the investments in 2025 and 2024:

| <i>In millions of tenge</i>                                      | 2025             | 2024             |
|------------------------------------------------------------------|------------------|------------------|
| <b>On January 1</b>                                              | <b>5,378,513</b> | <b>4,821,427</b> |
| Share in profits of joint ventures and associates, net (Notes 7) | 780,635          | 531,230          |
| Recognition of investment in joint ventures (Note 5)             | 792              | 8,255            |
| Disposal of share in joint venture without losing joint control  | –                | (6,393)          |
| Dividends received                                               | (985,262)        | (701,104)        |
| Change in dividends receivable, including withholding tax        | (134,415)        | (58,263)         |
| Other changes in the equity of the joint venture                 | 23,356           | 57,997           |
| Additional contributions without change in ownership             | 43,099           | 74,209           |
| Impairment                                                       | (223)            | –                |
| Eliminations and adjustments*                                    | (423)            | (322)            |
| Foreign currency translation                                     | (172,110)        | 651,477          |
| <b>On December 31</b>                                            | <b>4,933,962</b> | <b>5,378,513</b> |

\* Equity method eliminations and adjustments represent capitalized borrowing costs on the loans provided by the Company and subsidiaries to joint ventures.

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2025:

| <i>In millions of tenge</i>                                          | TCO               | MMG            | Silleno        | KKO            | KCP            | UGL             | PKOP           |
|----------------------------------------------------------------------|-------------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| Non-current assets, including fair value adjustment                  | 22,745,433        | 502,915        | 655,397        | 245,274        | 113,323        | 206,629         | 383,750        |
| Current assets, including Cash and cash equivalents                  | 3,148,034         | 241,152        | 31,075         | 423            | 59,902         | 34,248          | 74,079         |
|                                                                      | 573,562           | 79,330         | 10,413         | 14             | 42,053         | 22,328          | 10,445         |
| Non-current liabilities, including Non-current financial liabilities | (5,748,888)       | (175,149)      | (407,891)      | (68,351)       | (22,831)       | (68,033)        | (185,567)      |
|                                                                      | (1,516,590)       | –              | –              | –              | –              | (27,193)        | (143,059)      |
| Current liabilities, including Current financial liabilities         | (2,895,094)       | (138,054)      | (13,286)       | (8,606)        | (14,912)       | (16,759)        | (112,706)      |
|                                                                      | (2,022,120)       | –              | –              | –              | –              | –               | (78,682)       |
| <b>Equity</b>                                                        | <b>17,249,485</b> | <b>430,864</b> | <b>265,295</b> | <b>168,740</b> | <b>135,482</b> | <b>156,085</b>  | <b>159,556</b> |
| Share of ownership                                                   | 20%               | 50%            | 40%            | 50%            | 50%            | 50%             | 50%            |
| Impairment of the investment                                         | –                 | –              | –              | –              | –              | (20,000)        | –              |
| Equity method adjustments                                            | –                 | 12,355         | 1,931          | –              | –              | –               | –              |
| Adjustment for capitalised expenses on borrowings                    | –                 | –              | –              | –              | –              | –               | (26,053)       |
| <b>Carrying amount of the investments as at December 31, 2025</b>    | <b>3,449,897</b>  | <b>227,787</b> | <b>108,049</b> | <b>84,370</b>  | <b>67,741</b>  | <b>58,042</b>   | <b>53,725</b>  |
| Revenue                                                              | 10,799,781        | 852,320        | –              | –              | 76,217         | 3,431           | 284,489        |
| Depreciation, depletion and amortization                             | (3,564,404)       | (73,373)       | 88             | (64)           | (10,306)       | (11)            | (47,714)       |
| Finance income                                                       | 117,644           | 2,922          | 1              | 5,076          | 6,410          | –               | 2,143          |
| Finance costs                                                        | (385,389)         | (16,536)       | –              | (4,357)        | –              | (625)           | (24,123)       |
| Income tax expenses                                                  | (883,840)         | (33,748)       | (2)            | (637)          | (8,314)        | 2,481           | (12,802)       |
| <b>Profit/(loss) for the year from continuing operations</b>         | <b>2,062,294</b>  | <b>102,619</b> | <b>8,770</b>   | <b>(7,296)</b> | <b>33,079</b>  | <b>(10,425)</b> | <b>41,979</b>  |
| Other comprehensive loss                                             | (706,681)         | (1,302)        | –              | –              | (1)            | (9,211)         | –              |
| <b>Total comprehensive income/(loss)</b>                             | <b>1,355,613</b>  | <b>101,317</b> | <b>8,770</b>   | <b>(7,296)</b> | <b>33,078</b>  | <b>(19,636)</b> | <b>41,979</b>  |
| Dividends received                                                   | 683,683           | 19,810         | –              | –              | 15,000         | –               | 4,952          |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2025:

| <i>In millions of tenge</i>                                       | <b>KCEG</b>    | <b>KRG</b>    | <b>KGM</b>    | <b>KOA</b>    | <b>Petrosun</b> | <b>Karaton</b> | <b>Teniz Service</b> | <b>KPI</b>       |
|-------------------------------------------------------------------|----------------|---------------|---------------|---------------|-----------------|----------------|----------------------|------------------|
| Non-current assets                                                | 160            | 19,590        | 81,264        | 37,666        | –               | 25,016         | 4,370                | 937,353          |
| Current assets, including                                         | 207,308        | 94,183        | 16,744        | 32,294        | 19,403          | 8,097          | 4,039                | 102,779          |
| Cash and cash equivalents                                         | 88,165         | 47,507        | 4,322         | 21,059        | 14,240          | 5,692          | 2,359                | 57,592           |
| Non-current liabilities                                           | –              | (516)         | (15,083)      | (17,084)      | –               | (28,725)       | (523)                | (1,157,267)      |
| Current liabilities                                               | (101,084)      | (16,563)      | (20,063)      | (7,084)       | (1)             | (2,261)        | (279)                | (166,716)        |
| <b>Equity</b>                                                     | <b>106,384</b> | <b>96,694</b> | <b>62,862</b> | <b>45,792</b> | <b>19,402</b>   | <b>2,127</b>   | <b>7,607</b>         | <b>(283,851)</b> |
| Share of ownership                                                | 49%            | 50%           | 50%           | 50%           | 49%             | 50%            | 48.996%              | 49.5%            |
| Accumulated unrealized losses                                     | –              | –             | –             | –             | –               | –              | –                    | (140,506)        |
| Equity method adjustments                                         | (423)          | –             | –             | –             | –               | 7,221          | –                    | –                |
| <b>Carrying amount of the investments as at December 31, 2025</b> | <b>51,705</b>  | <b>48,347</b> | <b>31,431</b> | <b>22,896</b> | <b>9,507</b>    | <b>8,284</b>   | <b>3,727</b>         | <b>–</b>         |
| Revenue                                                           | 1,614,120      | 227,543       | 129,620       | 72,734        | –               | –              | 1,072                | 145,344          |
| Depreciation, depletion and amortization                          | (40)           | (346)         | (32,397)      | (3,856)       | –               | –              | (310)                | (66,204)         |
| Finance income                                                    | 12,069         | 6,620         | 940           | 1,766         | 1,748           | 29             | 292                  | 168              |
| Finance costs                                                     | (1,100)        | –             | (1,352)       | (3,188)       | (134)           | (1,235)        | (71)                 | (78,890)         |
| Income tax expenses                                               | (32,984)       | (4,729)       | (19,073)      | (1,614)       | (338)           | –              | (15)                 | –                |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>131,754</b> | <b>6,040</b>  | <b>34,278</b> | <b>6,735</b>  | <b>1,079</b>    | <b>(1,245)</b> | <b>(2,593)</b>       | <b>(72,230)</b>  |
| Other comprehensive loss                                          | –              | (4,109)       | (3,440)       | –             | –               | –              | –                    | –                |
| <b>Total comprehensive income/(loss)</b>                          | <b>131,754</b> | <b>1,931</b>  | <b>30,838</b> | <b>6,735</b>  | <b>1,079</b>    | <b>(1,245)</b> | <b>(2,593)</b>       | <b>(72,230)</b>  |
| Dividends received                                                | 40,180         | 19,157        | 28,762        | 4,500         | –               | –              | 1,470                | –                |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

| <i>In millions of tenge</i>                                       | <b>TCO</b>         | <b>MMG</b>      | <b>Silleno</b> | <b>KKO</b>      | <b>KCP</b>      | <b>UGL</b>      | <b>PKOP</b>      |
|-------------------------------------------------------------------|--------------------|-----------------|----------------|-----------------|-----------------|-----------------|------------------|
| Non-current assets, including fair value adjustment               | 26,176,361         | 453,936         | 132,833        | 218,477         | 119,017         | 242,666         | 414,933          |
| Current assets, including                                         | 2,664,463          | 237,009         | 1,918          | 6,307           | 49,543          | 23,706          | 111,847          |
| <i>Cash and cash equivalents</i>                                  | <i>1,142,568</i>   | <i>84,851</i>   | <i>1,884</i>   | <i>6,301</i>    | <i>39,103</i>   | <i>15,317</i>   | <i>48,361</i>    |
| Non-current liabilities, including                                | (7,086,258)        | (140,577)       | –              | (43,328)        | (22,936)        | (47,481)        | (278,761)        |
| <i>Non-current financial liabilities</i>                          | <i>(3,675,770)</i> | <i>–</i>        | <i>–</i>       | <i>–</i>        | <i>–</i>        | <i>(24,832)</i> | <i>(226,189)</i> |
| Current liabilities, including                                    | (1,818,449)        | (159,532)       | (5,623)        | (5,819)         | (13,220)        | (19,923)        | (120,536)        |
| <i>Current financial liabilities</i>                              | <i>(1,050,220)</i> | <i>–</i>        | <i>–</i>       | <i>–</i>        | <i>–</i>        | <i>–</i>        | <i>(71,775)</i>  |
| <b>Equity</b>                                                     | <b>19,936,117</b>  | <b>390,836</b>  | <b>129,128</b> | <b>175,638</b>  | <b>132,404</b>  | <b>198,968</b>  | <b>127,483</b>   |
| Share of ownership                                                | 20%                | 50%             | 40%            | 50%             | 50%             | 50%             | 50%              |
| Impairment of the investment                                      | –                  | –               | –              | –               | –               | (20,000)        | –                |
| Equity method adjustments                                         | –                  | 1,520           | 13,428         | –               | –               | (11,624)        | –                |
| Adjustment for capitalised expenses on borrowings                 | –                  | –               | –              | –               | –               | –               | (26,053)         |
| Accumulated unrealized losses                                     | –                  | –               | –              | 199             | –               | –               | –                |
| <b>Carrying amount of the investments as at December 31, 2024</b> | <b>3,987,223</b>   | <b>196,938</b>  | <b>65,079</b>  | <b>88,018</b>   | <b>66,202</b>   | <b>67,860</b>   | <b>37,688</b>    |
| Revenue                                                           | 8,358,505          | 871,754         | –              | –               | 87,939          | 26,561          | 256,007          |
| <i>Depreciation, depletion and amortization</i>                   | <i>(2,615,840)</i> | <i>(94,355)</i> | <i>(31)</i>    | <i>–</i>        | <i>(10,267)</i> | <i>(6)</i>      | <i>(33,021)</i>  |
| Finance income                                                    | 116,985            | 1,800           | 800            | 139             | 2,688           | –               | 1,968            |
| Finance costs                                                     | (240,018)          | (17,802)        | (80)           | (1,495)         | (333)           | (586)           | (29,742)         |
| Income tax expenses                                               | (669,126)          | (38,238)        | –              | –               | (10,519)        | 9,581           | (7,484)          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>1,517,402</b>   | <b>71,452</b>   | <b>(2,138)</b> | <b>(10,479)</b> | <b>41,688</b>   | <b>(17,923)</b> | <b>(353)</b>     |
| Other comprehensive income/(loss)                                 | 2,693,108          | 4,365           | –              | –               | (1)             | 33,036          | (86)             |
| <b>Total comprehensive income/(loss)</b>                          | <b>4,210,510</b>   | <b>75,817</b>   | <b>(2,138)</b> | <b>(10,479)</b> | <b>41,687</b>   | <b>15,113</b>   | <b>(439)</b>     |
| Dividends received                                                | 389,991            | 44,584          | –              | –               | 8,000           | –               | 3,285            |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

| <i>In millions of tenge</i>                                       | <b>KCEG</b> | <b>KRG</b> | <b>KGM</b> | <b>KOA</b> | <b>Petrosun</b> | <b>Karaton</b> | <b>Teniz Service</b> | <b>KPI</b>  |
|-------------------------------------------------------------------|-------------|------------|------------|------------|-----------------|----------------|----------------------|-------------|
| Non-current assets                                                | 133         | 19,368     | 83,427     | 30,963     | –               | 6,272          | 6,332                | 988,585     |
| Current assets, including                                         | 176,367     | 127,977    | 57,674     | 42,928     | 20,485          | 4,560          | 8,602                | 77,935      |
| <i>Cash and cash equivalents</i>                                  | 42,673      | 75,084     | 45,346     | 33,661     | 18,020          | 295            | 7,270                | 50,580      |
| Non-current liabilities, including                                | –           | (403)      | (18,375)   | (16,468)   | –               | (8,130)        | (736)                | (1,092,836) |
| <i>Non-current financial liabilities</i>                          | –           | –          | –          | –          | –               | –              | –                    | –           |
| Current liabilities, including                                    | (119,870)   | (13,864)   | (34,198)   | (9,366)    | (2,162)         | (1,399)        | (998)                | (197,214)   |
| <i>Current financial liabilities</i>                              | –           | –          | –          | –          | –               | –              | –                    | –           |
| <b>Equity</b>                                                     | 56,630      | 133,078    | 88,528     | 48,057     | 18,323          | 1,303          | 13,200               | (223,530)   |
| Share of ownership                                                | 49%         | 50%        | 50%        | 50%        | 49%             | 50%            | 48.996%              | 49.5%       |
| Accumulated unrealized losses                                     | –           | –          | –          | –          | –               | –              | –                    | (110,647)   |
| Equity method adjustments                                         | –           | –          | –          | –          | –               | 8,255          | –                    | –           |
| <b>Carrying amount of the investments as at December 31, 2024</b> | 27,749      | 66,539     | 44,264     | 24,028     | 8,978           | 8,907          | 6,468                | –           |
| Revenue                                                           | 791,620     | 255,369    | 148,440    | 77,345     | 707,668         | –              | 2,077                | 26,241      |
| <i>Depreciation, depletion and amortization</i>                   | –           | (312)      | (23,042)   | (8,196)    | (17)            | –              | (438)                | (4,407)     |
| Finance income                                                    | 2,374       | 6,602      | 1,066      | 5,528      | 3,179           | 1,704          | 849                  | 188         |
| Finance costs                                                     | (1,170)     | –          | (1,096)    | (2,344)    | (2,622)         | (383)          | (68)                 | (63,802)    |
| Income tax expenses                                               | (13,918)    | (14,569)   | (25,528)   | (2,814)    | (13,687)        | –              | –                    | –           |
| <b>Profit/(loss) for the year from continuing operations</b>      | 55,690      | 38,314     | 50,672     | 11,973     | 53,547          | 1,304          | (3,556)              | (225,649)   |
| Other comprehensive income/(loss)                                 | –           | 20,455     | 9,658      | –          | –               | –              | –                    | –           |
| <b>Total comprehensive income/(loss)</b>                          | 55,690      | 58,769     | 60,330     | 11,973     | 53,547          | 1,304          | (3,556)              | (225,649)   |
| Dividends received                                                | –           | 53,276     | 23,389     | –          | 49,000          | –              | –                    | –           |

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2025:

| <i>In millions of tenge</i>                     | <b>December 31, 2025</b> |            |
|-------------------------------------------------|--------------------------|------------|
|                                                 | <b>CPC</b>               | <b>PKI</b> |
| Non-current assets                              | 2,256,422                | 150,114    |
| Current assets                                  | 318,864                  | 122,579    |
| Non-current liabilities                         | (147,943)                | (12,124)   |
| Current liabilities                             | (283,198)                | (33,450)   |
| <b>Equity</b>                                   | 2,144,145                | 227,119    |
| Share of ownership                              | 20.75%                   | 33%        |
| Goodwill                                        | 48,533                   | –          |
| Impairment of the investment                    | –                        | (6,778)    |
| <b>Carrying amount of the investment</b>        | 493,443                  | 68,172     |
| Revenue                                         | 1,339,068                | 112,326    |
| <i>Depreciation, depletion and amortization</i> | (205,134)                | (18,270)   |
| Finance income                                  | 14,284                   | 4,455      |
| Finance costs                                   | (1,190)                  | (1,755)    |
| Income tax expenses                             | (215,787)                | (17,111)   |
| <b>Profit for the year</b>                      | 881,670                  | 8,121      |
| Other comprehensive loss                        | (98,998)                 | (2,761)    |
| <b>Total comprehensive income</b>               | 782,672                  | 5,360      |
| Dividends received                              | 143,847                  | 15,015     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2024:

| <i>In millions of tenge</i>              | <b>December 31, 2024</b> |                |
|------------------------------------------|--------------------------|----------------|
|                                          | <b>CPC</b>               | <b>PKI</b>     |
| Non-current assets                       | 2,109,714                | 174,833        |
| Current assets                           | 288,618                  | 139,072        |
| Non-current liabilities                  | (8,147)                  | (16,382)       |
| Current liabilities                      | (299,418)                | (27,971)       |
| <b>Equity</b>                            | <b>2,090,767</b>         | <b>269,552</b> |
| Share of ownership                       | 20.75%                   | 33%            |
| Goodwill                                 | 50,413                   | –              |
| Impairment of the investment             | –                        | (6,778)        |
| <b>Carrying amount of the investment</b> | <b>484,247</b>           | <b>82,175</b>  |
| Revenue                                  | 1,063,100                | 132,943        |
| Depreciation, depletion and amortization | (221,309)                | (25,378)       |
| Finance income                           | 15,676                   | 2,011          |
| Finance costs                            | (1,558)                  | (1,269)        |
| Income tax expenses                      | (95,835)                 | (9,368)        |
| <b>Profit for the year</b>               | <b>392,890</b>           | <b>6,828</b>   |
| Other comprehensive income               | 334,726                  | 20,354         |
| <b>Total comprehensive income</b>        | <b>727,616</b>           | <b>27,182</b>  |
| Dividends received                       | 105,910                  | 17,920         |

The following tables illustrate aggregate financial information of individually immaterial joint ventures (the Group’s proportional share):

| <i>In millions of tenge</i>                           | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|-------------------------------------------------------|------------------------------|------------------------------|
| <b>Group share in:</b>                                |                              |                              |
| Non-current assets                                    | <b>83,234</b>                | 70,182                       |
| Current assets                                        | <b>35,488</b>                | 30,806                       |
| Non-current liabilities                               | <b>(18,409)</b>              | (27,553)                     |
| Current liabilities                                   | <b>(26,329)</b>              | (17,652)                     |
| Goodwill                                              | <b>172</b>                   | 172                          |
| Accumulated unrecognized share of losses              | <b>9,916</b>                 | 1,961                        |
| Equity method adjustments                             | <b>354</b>                   | –                            |
| <b>Carrying amount of the investments</b>             | <b>84,426</b>                | <b>57,916</b>                |
| (Loss)/profit for the year from continuing operations | <b>(757)</b>                 | 2,497                        |
| Other comprehensive income/(loss)                     | <b>902</b>                   | (118)                        |
| <b>Total comprehensive income</b>                     | <b>145</b>                   | <b>2,379</b>                 |
| Unrecognized share of loss                            | <b>(7,540)</b>               | (761)                        |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate aggregate financial information of individually immaterial associates (the Group's proportional share):

| <i>In millions of tenge</i>                    | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|------------------------------------------------|------------------------------|----------------------|
| <b>Group share in:</b>                         |                              |                      |
| Non-current assets                             | <b>69,984</b>                | 65,590               |
| Current assets                                 | <b>90,759</b>                | 85,423               |
| Non-current liabilities                        | <b>(19,925)</b>              | (12,685)             |
| Current liabilities                            | <b>(78,405)</b>              | (80,094)             |
| <b>Carrying amount of the investments</b>      | <b>62,413</b>                | 58,234               |
| Profit for the year from continuing operations | <b>6,415</b>                 | 1,672                |
| Other comprehensive (loss)/income              | <b>(1,146)</b>               | 3,066                |
| <b>Total comprehensive income</b>              | <b>5,269</b>                 | 4,738                |

**21. INVENTORIES**

| <i>In millions of tenge</i>                                  | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|--------------------------------------------------------------|------------------------------|----------------------|
| Materials and supplies (at cost)                             | <b>240,699</b>               | 266,669              |
| Crude oil (at cost)                                          | <b>115,247</b>               | 97,243               |
| Refined products (at lower of cost and net realizable value) | <b>55,316</b>                | 92,212               |
| Less: impairment allowance                                   | <b>(36,527)</b>              | (42,383)             |
|                                                              | <b>374,735</b>               | 413,741              |

As at December 31, 2025 carrying value of inventories under pledge as collateral amounted to 189,660 million tenge (December 31, 2024: 225,073 million tenge).

Movements in the allowance for impairment of inventories were as follows:

| <i>In millions of tenge</i>    |                 |
|--------------------------------|-----------------|
| <b>As at December 31, 2023</b> | (36,947)        |
| Charged, net                   | (942)           |
| Written-off                    | 285             |
| Foreign currency translation   | (4,779)         |
| <b>As at December 31, 2024</b> | (42,383)        |
| Charged, net                   | <b>3,781</b>    |
| Written off                    | <b>518</b>      |
| Foreign currency translation   | <b>1,557</b>    |
| <b>As at December 31, 2025</b> | <b>(36,527)</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|--------------------------------------------|------------------------------|------------------------------|
| <b>Trade accounts receivable</b>           |                              |                              |
| Trade accounts receivable                  | <b>632,365</b>               | 472,143                      |
| Less: allowance for expected credit losses | <b>(35,254)</b>              | (29,086)                     |
|                                            | <b>597,111</b>               | 443,057                      |
| <b>Other current financial assets</b>      |                              |                              |
| Other receivables                          | <b>114,069</b>               | 117,313                      |
| Dividends receivable                       | <b>3,512</b>                 | 7,997                        |
| Less: allowance for expected credit losses | <b>(45,952)</b>              | (61,782)                     |
|                                            | <b>71,629</b>                | 63,528                       |
| <b>Other current non-financial assets</b>  |                              |                              |
| Advances paid and prepaid expenses         | <b>128,761</b>               | 137,553                      |
| Taxes receivable, other than VAT           | <b>54,391</b>                | 37,414                       |
| Other                                      | <b>11,400</b>                | 6,643                        |
| Less: impairment allowance                 | <b>(160)</b>                 | (856)                        |
|                                            | <b>194,392</b>               | 180,754                      |
| <b>Total other current assets</b>          | <b>266,021</b>               | 244,282                      |

As at December 31, 2025 and 2024, the above assets were non-interest bearing.

As at December 31, 2025, trade accounts receivable with a carrying value of 174,372 million tenge are pledged as collateral (December 31, 2024: 181,246 million tenge).

As of December 31, 2025 and 2024, trade accounts receivable is denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|-----------------------------|------------------------------|------------------------------|
| US dollars                  | <b>262,642</b>               | 280,970                      |
| Tenge                       | <b>244,424</b>               | 94,420                       |
| Romanian Leu                | <b>80,780</b>                | 63,296                       |
| Euro                        | <b>8,362</b>                 | 2,770                        |
| Other currency              | <b>903</b>                   | 1,601                        |
|                             | <b>597,111</b>               | 443,057                      |

Movements in the allowance for expected credit losses and impairment were as follows:

| <i>In millions of tenge</i>    | <b>Trade accounts<br/>receivable</b> | <b>Other current<br/>financial assets</b> | <b>Other current<br/>non-financial<br/>assets</b> |
|--------------------------------|--------------------------------------|-------------------------------------------|---------------------------------------------------|
| <b>As at December 31, 2023</b> | 32,190                               | 43,853                                    | 3,359                                             |
| Charged, net                   | (4,119)                              | 12,253                                    | (2,545)                                           |
| Written-off                    | (1,175)                              | –                                         | –                                                 |
| Foreign currency translation   | 2,190                                | 5,676                                     | 42                                                |
| <b>As at December 31, 2024</b> | 29,086                               | 61,782                                    | 856                                               |
| Charged, net                   | <b>6,187</b>                         | <b>(13,642)</b>                           | <b>(149)</b>                                      |
| Written-off                    | <b>210</b>                           | <b>(961)</b>                              | <b>(678)</b>                                      |
| Foreign currency translation   | <b>(229)</b>                         | <b>(1,227)</b>                            | <b>131</b>                                        |
| <b>As at December 31, 2025</b> | <b>35,254</b>                        | <b>45,952</b>                             | <b>160</b>                                        |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)**

Set out below is the information about credit risk exposure on the Group’s trade receivables using a provision matrix:

| <i>In millions of tenge</i> | Days past due |          |            |            |          | Total    |
|-----------------------------|---------------|----------|------------|------------|----------|----------|
|                             | Current       | <30 days | 30-60 days | 61-90 days | >91 days |          |
| <b>December 31, 2025</b>    |               |          |            |            |          |          |
| Expected credit loss rate   | 0.22%         | 0.09%    | 1.20%      | 2.87%      | 44.20%   | -        |
| Trade accounts receivable   | 423,006       | 81,548   | 34,488     | 17,890     | 75,433   | 632,365  |
| Expected credit losses      | (910)         | (74)     | (413)      | (513)      | (33,344) | (35,254) |
| <b>December 31, 2024</b>    |               |          |            |            |          |          |
| Expected credit loss rate   | 0.38%         | 0.96%    | 5.72%      | 3.64%      | 79.41%   |          |
| Trade accounts receivable   | 405,631       | 21,091   | 3,347      | 8,240      | 33,834   | 472,143  |
| Expected credit losses      | (1,524)       | (202)    | (191)      | (300)      | (26,869) | (29,086) |

**23. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES**

| <i>In millions of tenge</i>                                 | December 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------------------------------|----------------------|----------------------|
| <b>At amortized cost</b>                                    |                      |                      |
| NB RK notes (Note 32)                                       | 37,378               | 38,329               |
| Loans due from related parties (Note 32)                    | 38,024               | 35,074               |
| Bonds receivable from Samruk-Kazyna (Note 32)               | 24,160               | 32,539               |
| Other                                                       | 8,386                | 6,933                |
| Less: allowance for expected credit losses                  | (772)                | (705)                |
|                                                             | 107,176              | 112,170              |
| <b>At fair value through profit or loss</b>                 |                      |                      |
| Loans due from related parties (Note 32)                    | 148,366              | 82,945               |
| Guaranteed returns from shareholder of joint venture        | 11,289               | 10,798               |
|                                                             | 159,655              | 93,743               |
| <b>Total loans and receivables due from related parties</b> | <b>266,831</b>       | <b>205,913</b>       |

Loans and receivables due from related parties are denominated in the following currencies:

| <i>In millions of tenge</i> | December 31,<br>2025 | December 31,<br>2024 |
|-----------------------------|----------------------|----------------------|
| US dollars                  | 168,014              | 100,657              |
| Tenge                       | 98,817               | 105,256              |
|                             | 266,831              | 205,913              |

| <i>In millions of tenge</i> | December 31,<br>2025 | December 31,<br>2024 |
|-----------------------------|----------------------|----------------------|
| Current portion             | 59,584               | 84,240               |
| Non-current portion         | 207,247              | 121,673              |
|                             | 266,831              | 205,913              |

Movements in the allowance for expected credit losses of loans and receivables due from related parties were as follows:

| <i>In millions of tenge</i>    |            |
|--------------------------------|------------|
| <b>As at December 31, 2023</b> | 1,863      |
| Charged, net                   | (73)       |
| Written off                    | (1,086)    |
| Foreign currency translation   | 1          |
| <b>As at December 31, 2024</b> | <b>705</b> |
| Charged, net                   | 115        |
| Written off                    | (47)       |
| Foreign currency translation   | (1)        |
| <b>As at December 31, 2025</b> | <b>772</b> |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****23. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES (continued)**

As at December 31, 2025 and 2024, for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). Since initial recognition of the loans and receivables due from related parties there have been no significant increases in credit risk.

**24. CASH AND CASH EQUIVALENTS**

| <i>In millions of tenge</i>                                                    | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|--------------------------------------------------------------------------------|------------------------------|------------------------------|
| Term deposits with banks – US dollar                                           | <b>811,660</b>               | 848,432                      |
| Term deposits with banks – tenge                                               | <b>152,321</b>               | 172,922                      |
| Term deposits with banks – other currencies                                    | <b>54,910</b>                | 60,346                       |
| Current accounts with banks – US dollar                                        | <b>105,433</b>               | 78,600                       |
| Current accounts with banks – tenge                                            | <b>4,486</b>                 | 7,786                        |
| Current accounts with banks – other currencies                                 | <b>31,515</b>                | 17,689                       |
| The contracts of reverse repo with original maturities of three months or less | <b>32,804</b>                | 26,395                       |
| Cash in transit                                                                | <b>3,381</b>                 | 1,864                        |
| Cash-on-hand and cheques                                                       | <b>1,756</b>                 | 2,487                        |
| Less: allowance for expected credit losses                                     | <b>(81)</b>                  | (70)                         |
|                                                                                | <b>1,198,185</b>             | 1,216,451                    |

Term deposits with banks are made for various periods of between one day and three months, depending on the immediate cash requirements of the Group.

As at December 31, 2025, the weighted average interest rate for time deposits with banks was 3.89% in US dollars, 17.37% in tenge and 6.06% in other currencies (December 31, 2024: 4.22% in US dollars, 14.53% in tenge and 5.18% in other currencies).

As at December 31, 2025 and 2024, cash and cash equivalents were not pledged as collateral for obligations of the Group.

**25. EQUITY****Share capital**

Total number of outstanding, issued and paid shares comprises:

| <i>In millions of tenge</i>                        | <b>December 31,<br/>2025 and 2024</b> |
|----------------------------------------------------|---------------------------------------|
| <b>Number of shares issued and paid, including</b> | <b>610,119,493</b>                    |
| Par value of 27,726.63 tenge                       | 137,900                               |
| Par value of 10,000 tenge                          | 20,719,604                            |
| Par value of 5,000 tenge                           | 59,707,029                            |
| Par value of 2,500 tenge                           | 71,104,187                            |
| Par value of 2,451 tenge                           | 1                                     |
| Par value of 1,000 tenge                           | 1                                     |
| Par value of 921 tenge                             | 1                                     |
| Par value of 858 tenge                             | 1                                     |
| Par value of 838 tenge                             | 1                                     |
| Par value of 704 tenge                             | 1                                     |
| Par value of 592 tenge                             | 1                                     |
| Par value of 500 tenge                             | 458,450,766                           |
| <b>Share capital (thousands of tenge)</b>          | <b>916,540,545</b>                    |

As at December 31, 2025 and 2024, the Company had only one class of issued shares. As at December 31, 2025 and 2024, common shares in the number of 239,440,103 were authorized, but not issued. In 2025, there was no issuance of any ordinary share.

**Dividends**

In 2025, based on the decision of Shareholders, the Company declared and paid off dividends for 2024 of 491.71 tenge per common share in the total of 300,002 million tenge (2024: declared and paid-off dividends for 2023 of 491.71 tenge per common share in the total of 300,002 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Dividends (continued)**

In 2025, the Group declared and paid-off dividends to the non-controlling interest holders of KTO and KMGI in the total amount of 3,635 million tenge and 3,572 million tenge, respectively (2024: 2,820 million tenge and 2,759 million tenge, respectively).

**Transactions with Samruk-Kazyna**

In 2025, the Company provided Samruk-Kazyna with a loan of 10,500 million tenge with a maturity date in 2035 and an interest rate of 0.10%. The difference between the fair value of the loan at the recognition date and its nominal value was recorded as Transactions with Samruk-Kazyna in the consolidated statement of changes in equity in the amount of 8,836 million tenge.

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within finance income (*Note 14*) in these consolidated financial statements in the amount of 59,769 million tenge.

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

**Distributions to Samruk-Kazyna**

In 2025, in accordance with the Government decree on the construction of social objects in Zhana-ozen town and housing for the residents, living in Zhana-ozen town, the Group accrued liabilities and paid liabilities for 4,199 million tenge and 1,644 million tenge, respectively (2024: 16 million tenge and 2,059 million tenge, respectively).

**Other operations with Samruk-Kazyna**

In 2024, the Group increased the provision for liabilities related to the construction of the Sports Complex in Uralsk city, accrued in 2023, in accordance with the Order of the President of the RK, by 1,989 million tenge.

The facility was commissioned on 22 January, 2025. As of 31 December 2024, the Group offset the accrued construction liability against the carrying amount of the Sports Complex in the amount of 19,914 million tenge.

**Book value per share**

In accordance with the decision of KASE dated October 4, 2010, financial statements shall disclose book value per share (ordinary and preferred) as of the reporting date, calculated in accordance with the KASE rules.

| <i>In millions of tenge</i>                              | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|----------------------------------------------------------|------------------------------|----------------------|
| Total assets                                             | <b>18,848,445</b>            | 18,934,647           |
| Less: intangible assets                                  | <b>881,420</b>               | 943,156              |
| Less: total liabilities                                  | <b>6,462,120</b>             | 7,010,363            |
| <b>Net assets</b>                                        | <b>11,504,905</b>            | 10,981,128           |
| Number of ordinary shares                                | <b>610,119,493</b>           | 610,119,493          |
| <b>Book value per ordinary share (in thousand tenge)</b> | <b>18.857</b>                | 17.998               |

**Earnings per share**

| <i>In thousand tenge</i>                                                          | <b>2025</b>        | 2024        |
|-----------------------------------------------------------------------------------|--------------------|-------------|
| Weighted average number of common shares for basic and diluted earnings per share | <b>610,119,493</b> | 610,119,493 |
| Basic and diluted earnings per share                                              | <b>1.705</b>       | 1.794       |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests**

The following tables illustrate information of subsidiaries in which the Group has significant non-controlling interests:

|                                 |                                                       | <b>December 31, 2025</b>          |                           | <b>December 31, 2024</b>           |                           |
|---------------------------------|-------------------------------------------------------|-----------------------------------|---------------------------|------------------------------------|---------------------------|
|                                 | <b>Country of<br/>incorporation<br/>and operation</b> | <b>Non-controlling<br/>shares</b> | <b>Carrying<br/>value</b> | <b>Non-<br/>controlling shares</b> | <b>Carrying<br/>value</b> |
| Rompetrol Downstream S.R.L.     | Romania                                               | <b>45.37%</b>                     | <b>90,997</b>             | 45.37%                             | 82,724                    |
| KTO                             | Kazakhstan                                            | <b>10.00%</b>                     | <b>70,641</b>             | 10.00%                             | 63,870                    |
| Rompetrol Petrochemicals S.R.L. | Romania                                               | <b>45.37%</b>                     | <b>24,797</b>             | 45.37%                             | 22,120                    |
| Rompetrol Vega                  | Romania                                               | <b>45.37%</b>                     | <b>(35,097)</b>           | 45.37%                             | (29,521)                  |
| Rompetrol Rafinare S.A.         | Romania                                               | <b>45.37%</b>                     | <b>(289,265)</b>          | 45.37%                             | (310,421)                 |
| Other                           |                                                       |                                   | <b>55,834</b>             |                                    | 61,440                    |
|                                 |                                                       |                                   | <b>(82,093)</b>           |                                    | (109,788)                 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2025 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>Rompetrol<br/>Vega</b> | <b>Rompetrol<br/>Rafinare S.A.</b> |
|-------------------------------------------------------------------|----------------------------------------|----------------|------------------------------------------------|---------------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                        |                |                                                |                           |                                    |
| Non-current assets                                                | 128,376                                | 843,988        | 1,983                                          | 25,441                    | 176,091                            |
| Current assets                                                    | 308,810                                | 188,081        | 53,341                                         | 14,458                    | 88,049                             |
| Non-current liabilities                                           | (76,754)                               | (180,645)      | (476)                                          | (46,679)                  | (206,780)                          |
| Current liabilities                                               | (159,875)                              | (125,006)      | (195)                                          | (70,574)                  | (694,902)                          |
| <b>Total equity</b>                                               | <b>200,557</b>                         | <b>726,418</b> | <b>54,653</b>                                  | <b>(77,354)</b>           | <b>(637,542)</b>                   |
| <b>Attributable to:</b>                                           |                                        |                |                                                |                           |                                    |
| Equity holder of the Parent Company                               | 109,560                                | 655,777        | 29,856                                         | (42,257)                  | (348,277)                          |
| Non-controlling interests                                         | 90,997                                 | 70,641         | 24,797                                         | (35,097)                  | (289,265)                          |
| <b>Summarized statement of comprehensive income</b>               |                                        |                |                                                |                           |                                    |
| Revenue from contracts with customers                             | 1,033,467                              | 357,478        | –                                              | 115,398                   | 2,007,243                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>25,992</b>                          | <b>98,449</b>  | <b>8,791</b>                                   | <b>(15,082)</b>           | <b>12,993</b>                      |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>18,234</b>                          | <b>100,779</b> | <b>5,901</b>                                   | <b>(12,290)</b>           | <b>46,628</b>                      |
| <b>Attributable to:</b>                                           |                                        |                |                                                |                           |                                    |
| Equity holder of the Parent Company                               | 9,961                                  | 90,701         | 3,224                                          | (6,714)                   | 25,472                             |
| Non-controlling interests                                         | 8,273                                  | 10,078         | 2,677                                          | (5,576)                   | 21,156                             |
| Dividends declared to non-controlling interests                   | –                                      | (3,307)        | –                                              | –                         | –                                  |
| <b>Summarized cash flow information</b>                           |                                        |                |                                                |                           |                                    |
| Operating activity                                                | 81,236                                 | 109,840        | 6                                              | 4,650                     | 178,407                            |
| Investing activity                                                | (25,324)                               | (20,852)       | –                                              | (4,499)                   | (65,647)                           |
| Financing activity                                                | (55,424)                               | (44,235)       | –                                              | (157)                     | (132,479)                          |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       | <b>488</b>                             | <b>43,201</b>  | <b>5</b>                                       | <b>(7)</b>                | <b>(19,719)</b>                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2024 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>Rompetrol<br/>Vega</b> | <b>Rompetrol<br/>Rafinare S.A.</b> |
|-------------------------------------------------------------------|----------------------------------------|----------------|------------------------------------------------|---------------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                        |                |                                                |                           |                                    |
| Non-current assets                                                | 133,296                                | 840,928        | 2,897                                          | 27,976                    | 118,375                            |
| Current assets                                                    | 234,461                                | 139,023        | 46,503                                         | 17,223                    | 56,753                             |
| Non-current liabilities                                           | (71,025)                               | (204,199)      | (500)                                          | (47,700)                  | (176,147)                          |
| Current liabilities                                               | (114,409)                              | (112,191)      | (147)                                          | (62,563)                  | (683,150)                          |
| <b>Total equity</b>                                               | <b>182,323</b>                         | <b>663,561</b> | <b>48,753</b>                                  | <b>(65,064)</b>           | <b>(684,169)</b>                   |
| <b>Attributable to:</b>                                           |                                        |                |                                                |                           |                                    |
| Equity holder of the Parent Company                               | 99,599                                 | 599,691        | 26,633                                         | (35,543)                  | (373,748)                          |
| Non-controlling interests                                         | 82,724                                 | 63,870         | 22,120                                         | (29,521)                  | (310,421)                          |
| <b>Summarized statement of comprehensive income</b>               |                                        |                |                                                |                           |                                    |
| Revenue from contracts with customers                             | 889,308                                | 311,900        | –                                              | 87,742                    | 1,522,309                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>8,990</b>                           | <b>65,092</b>  | <b>1,312</b>                                   | <b>402</b>                | <b>(31,651)</b>                    |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>33,477</b>                          | <b>72,136</b>  | <b>7,821</b>                                   | <b>(9,257)</b>            | <b>(125,792)</b>                   |
| <b>Attributable to:</b>                                           |                                        |                |                                                |                           |                                    |
| Equity holder of the Parent Company                               | 18,288                                 | 64,922         | 4,273                                          | (5,057)                   | (68,718)                           |
| Non-controlling interests                                         | 15,189                                 | 7,214          | 3,548                                          | (4,200)                   | (57,074)                           |
| Dividends declared to non-controlling interests                   | –                                      | (2,500)        | –                                              | –                         | –                                  |
| <b>Summarized cash flow information</b>                           |                                        |                |                                                |                           |                                    |
| Operating activity                                                | 7,648                                  | 90,771         | –                                              | 22,895                    | 495,168                            |
| Investing activity                                                | (4,358)                                | (69,457)       | –                                              | (22,862)                  | (540,019)                          |
| Financing activity                                                | (7,147)                                | (27,500)       | –                                              | (61)                      | 16,742                             |
| <b>Net decrease in cash and cash equivalents</b>                  | <b>(3,858)</b>                         | <b>(4,029)</b> | <b>–</b>                                       | <b>(28)</b>               | <b>(28,109)</b>                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS**

| <i>In millions of tenge</i>             | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------------------|------------------------------|----------------------|
| Fixed interest rate borrowings          | <b>3,062,408</b>             | 3,396,818            |
| Weighted average nominal interest rates | <b>6.09%</b>                 | 6.25%                |
| Floating interest rate borrowings       | <b>459,539</b>               | 570,583              |
| Weighted average nominal interest rates | <b>7.02%</b>                 | 8.41%                |
|                                         | <b>3,521,947</b>             | 3,967,401            |

As at December 31, 2025 and 2024, borrowings are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------|------------------------------|----------------------|
| US dollar                   | <b>2,422,291</b>             | 2,982,986            |
| Tenge                       | <b>802,117</b>               | 937,610              |
| Euro                        | <b>198,232</b>               | 35,601               |
| Chinese Yuan                | <b>89,798</b>                | –                    |
| Other currencies            | <b>9,509</b>                 | 11,204               |
|                             | <b>3,521,947</b>             | 3,967,401            |

| <i>In millions of tenge</i> | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------|------------------------------|----------------------|
| Current portion             | <b>278,423</b>               | 323,290              |
| Non-current portion         | <b>3,243,524</b>             | 3,644,111            |
|                             | <b>3,521,947</b>             | 3,967,401            |

As at December 31, 2025 and 2024, the bonds comprised:

| <i>In millions of tenge</i> | <b>Issuance<br/>amount</b> | <b>Redemption<br/>date</b> | <b>Effective Interest<br/>Rate</b>          | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------|----------------------------|----------------------------|---------------------------------------------|------------------------------|----------------------|
| <b>Bonds</b>                |                            |                            |                                             |                              |                      |
| AIX and HKEX 2025           | 1.25 billion CNY           | 2030                       | 2.95%<br>11.74%                             | <b>89,798</b>                | –                    |
| KASE 2023                   | 70 billion KZT             | 2033                       | (0.50% nominal<br>interest rate)<br>12.105% | <b>43,411</b>                | 45,873               |
| KASE 2022                   | 751.6 billion KZT          | 2035                       | (9.30% nominal<br>interest rate)            | <b>649,876</b>               | 642,749              |
| Bonds LSE 2020              | 750 million USD            | 2033                       | 3.50%                                       | <b>381,578</b>               | 396,299              |
| Bonds LSE 2018              | 1.25 billion USD           | 2030                       | 5.375%                                      | <b>629,635</b>               | 653,507              |
| Bonds LSE 2018              | 1.5 billion USD            | 2048                       | 6.375%                                      | <b>625,316</b>               | 778,795              |
| Bonds LSE 2017              | 1.25 billion USD           | 2047                       | 5.75%                                       | <b>493,105</b>               | 639,143              |
| Bonds LSE 2017              | 1 billion USD              | 2027                       | 4.75%                                       | <b>127,103</b>               | 131,604              |
| <b>Total</b>                |                            |                            |                                             | <b>3,039,822</b>             | 3,287,970            |

In October 2025, the Company issued bonds denominated in Chinese yuan with a coupon rate of 2.95% and an interest rate of 3.15% as part of a new medium-term bond program totaling 10 billion Chinese yuan, registered on the Hong Kong Stock Exchange (HKEX) and the Astana International Exchange (AIX). The bonds have a maturity of 5 years and a nominal value of 1,250 million Chinese yuan (equivalent to 93,338 million tenge).

In December 2025, the Company partially redeemed its bonds listed on the London Stock Exchange (LSE) with maturities in 2047 and 2048 and a nominal value of 500 million US dollars (equivalent to 243,286 million tenge).

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%. The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within other finance income (*Note 14*) in these consolidated financial statements in the amount of 59,769 million tenge. The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 25*).

In 2024, the Company made an early partial redemption of bonds placed on the LFB with a maturity date of 2027 and a nominal value of 1 billion US dollars, in the amount of 750 million US dollars (equivalent to 358,171 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)**

As at December 31, 2025 and 2024, the borrowings comprised:

| <i>In millions of tenge</i>                                                                                                | <b>Issuance<br/>amount</b>     | <b>Redemption date</b>               | <b>Effective Interest Rate</b>                                          | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------|-------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Loans</b>                                                                                                               |                                |                                      |                                                                         |                              |                              |
| The Syndicate of banks (Unicredit Bank, ING Bank, BCR, Raiffeisen Bank, Garanti Bank, Banca Transilvania, Intesa Sanpaolo) | 551.8 million USD <sup>1</sup> | 2026                                 | ROBOR 1M+2.05%<br>SOFR 1M+2.05%<br>EURIBOR 1M+2.00%<br>EURIBOR 1M+2.05% | <b>142,067</b>               | 149,937                      |
| Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)                                                                          | 300 million USD                | 2026                                 | COF <sup>2</sup> (3.76%) + 1.80%                                        | <b>54,682</b>                | 91,405                       |
| Cargill                                                                                                                    | 100 million USD                | 2026                                 | SOFR 3M+2.80%                                                           | <b>50,792</b>                | 52,732                       |
| The Syndicate of banks (BCR, Raiffeisen Bank, Banca Transilvania, UniCredit Bank, Garanti Bank)                            | 83 million EUR                 | 2029                                 | EURIBOR 6M + 3.00%<br>Key Rate of National                              | <b>30,471</b>                | 28,471                       |
| Halyk bank                                                                                                                 | 41.4 billion KZT               | 2032                                 | Bank of RK + 1.50%<br>CPI 6M + 4.00%                                    | <b>29,544</b>                | 31,157                       |
| The European Bank for Reconstruction and Development (EBRD)                                                                | 61 billion KZT                 | 2028                                 | CPI + 3.75%                                                             | <b>26,332</b>                | 37,730                       |
| The Eurasian Development Bank                                                                                              | 21 billion KZT                 | 2033                                 | Base rate of NBRK – 2.00%<br>15.20%                                     | <b>24,982</b>                | 22,107                       |
| Development bank of Kazakhstan JSC (DBK)                                                                                   | 79 billion KZT                 | 2028                                 | (7.99% nominal rate)                                                    | <b>22,587</b>                | 43,892                       |
| Credit Agricole                                                                                                            | 150 million USD                | 2026                                 | COF (3.86%) + 1.75%<br>ROBOR 1M + 2.00%<br>SOFR1M + 2.00%               | <b>22,118</b>                | –                            |
| Banca Transilvania                                                                                                         | 57.96 million EUR              | 2026                                 | EURIBOR 1M+2.00%                                                        | <b>19,913</b>                | 17,975                       |
| ING Bank NV                                                                                                                | 250 million USD                | 2026                                 | COF (3.8%) + 2.00%                                                      | <b>19,760</b>                | 7,714                        |
| Banca Transilvania                                                                                                         | 119 million RON                | 2030                                 | ROBOR 3M + 1.10%                                                        | <b>8,913</b>                 | 10,087                       |
| Halyk Bank                                                                                                                 | 169 billion KZT                | 2032                                 | 19.50%                                                                  | <b>5,385</b>                 | 49,219                       |
| Halyk Bank                                                                                                                 | 110 billion KZT                | 2025                                 | 11.00%                                                                  | –                            | 64,883                       |
| Eni Isatay                                                                                                                 | –                              | After the start of commercial mining | CME TERM SOFR + 3.00%                                                   | –                            | 24,761                       |
| BCP                                                                                                                        | 170 million USD                | 2026                                 | COF (4.09%) + 1.50%                                                     | –                            | 21,181                       |
| Other                                                                                                                      | –                              | –                                    | –                                                                       | <b>24,579</b>                | 26,180                       |
| <b>Total</b>                                                                                                               |                                |                                      |                                                                         | <b>482,125</b>               | <b>679,431</b>               |

<sup>1</sup> 275.9 million USD with revolving credit facility;

<sup>2</sup> Cost of funding.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**26. BORROWINGS (continued)**

In 2025, Atyrau Refinery fully repaid a loan from Halyk Bank for a total amount of 64,883 million tenge, including interest.

In 2025, KMGI partially repaid a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 76.29 million US dollars (equivalent to 39,773 million tenge), including interest.

In 2025, KMGI received a Syndicated loan for a total amount of 279.49 million US dollars (equivalent to 145,702 million tenge) and made a partial repayment for a total amount of 311,099 million US dollars (equivalent to 162,179 million tenge), including interest.

In 2025, KMGI received a loan from Credit Agricole for a total amount of 43.75 million US dollars (equivalent to 22,808 million tenge) at a COF rate of (3.86%) + 1.75% and maturing by the end of 2026.

In 2025, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Abai project, the Company derecognized the loan received from Eni Isatay in the amount of 24,775 million tenge, including interest (*Note 14*).

In 2024, KMGI partially repaid a Syndicated loan for a total amount of 71.88 million US dollars (equivalent to 33,735 million tenge), including interest.

In 2024, KMGI received a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 35.91 million US dollars (equivalent to 16,854 million tenge) at a COF rate of (4.33%) + 1.50% and maturing by the end of 2025 to finance working capital.

In 2024, Atyrau Refinery and Pavlodar Refinery partially repaid the loan of DBK for a total amount of 46,688 million tenge, including interest.

In 2024, Atyrau Refinery received a loan from the EBRD for a total amount of 26,600 million tenge at a rate of CPI + 3.75% and maturing until 2028 to refinance the loan from Halyk Bank.

In 2024, Atyrau Refinery and KTO partially repaid a loan from Halyk Bank totaling 21,000 million tenge, including interest.

In 2024, KMGI repaid a loan from ING Bank in the total amount of 29.21 million US dollars (equivalent to 13,709 million tenge).

In 2024, Kazakh Gas Processing Plant LLP, subsidiary of the Company, received a loan from Halyk Bank for a total amount of 48,246 million tenge at a Base rate of National Bank of RK + 1.50% and maturing by the end of 2032 for the construction of Oil and Gas Refinery plant.

In 2024, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Zhenis project, the Company derecognized the loan received from Lukoil Kazakhstan Upstream (carry-financing) in the amount of 48,432 million tenge (*Note 14*).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)**

Changes in liabilities arising from financing activities:

| <i>In millions of tenge</i>                                     | 2025             |                 |                  |                  | 2024             |                 |           |           |
|-----------------------------------------------------------------|------------------|-----------------|------------------|------------------|------------------|-----------------|-----------|-----------|
|                                                                 | Short-term loans | Long-term loans | Bonds            | Total            | Short-term loans | Long-term loans | Bonds     | Total     |
| <b>On January 1</b>                                             | <b>151,541</b>   | <b>527,890</b>  | <b>3,287,970</b> | <b>3,967,401</b> | 214,457          | 496,360         | 3,046,277 | 3,757,094 |
| Received in cash                                                | 59,271           | 148,346         | 92,224           | 299,841          | 34,975           | 179,919         | –         | 214,894   |
| Repayment of principal in cash                                  | (81,210)         | (299,005)       | (258,017)        | (638,232)        | (118,862)        | (145,496)       | (383,051) | (647,409) |
| Interest accrued ( <i>Note 14</i> )                             | 11,564           | 38,787          | 234,134          | 284,485          | 19,383           | 41,729          | 218,115   | 279,227   |
| Interest paid*                                                  | (11,623)         | (44,614)        | (216,405)        | (272,642)        | (19,422)         | (34,195)        | (192,286) | (245,903) |
| Effect of loan modification                                     | –                | –               | –                | –                | –                | –               | 233,519   | 233,519   |
| Foreign currency translation                                    | (5,042)          | (9,251)         | –                | (14,293)         | 21,907           | 32,849          | –         | 54,756    |
| Foreign exchange (gain)/loss used for hedge of a net investment | –                | –               | (92,338)         | (92,338)         | –                | –               | 358,847   | 358,847   |
| Foreign exchange loss/(gain)                                    | 1,877            | 9,022           | (4,532)          | 6,367            | (897)            | 2,245           | 6,549     | 7,897     |
| Derecognition of loan ( <i>Note 14</i> )                        | –                | (24,775)        | –                | (24,775)         | –                | (48,442)        | –         | (48,442)  |
| Other                                                           | –                | 9,345           | (3,212)          | 6,133            | –                | 2,921           | –         | 2,921     |
| <b>On December 31</b>                                           | <b>126,378</b>   | <b>355,745</b>  | <b>3,039,824</b> | <b>3,521,947</b> | 151,541          | 527,890         | 3,287,970 | 3,967,401 |
| Current portion                                                 | 126,378          | 105,405         | 46,640           | 278,423          | 151,541          | 122,729         | 49,020    | 323,290   |
| Non-current portion                                             | –                | 250,340         | 2,993,184        | 3,243,524        | –                | 405,161         | 3,238,950 | 3,644,111 |

\* The repayment of the interest is classified in the consolidated statement of cash flows as operating cash flows.

**Covenants**

The Group is required to comply with financial and non-financial covenants under the terms of all credit documentation. Financial covenants require the Group to comply with certain metrics such as total net debt to EBITDA, minimum interest coverage and others. Under the terms of the credit documentation, failure to comply with covenants may result in the repayment of these long-term financings upon demand. As at December 31, 2025 and December 31, 2024, the Group complied with all financial and non-financial covenants. According to credit documentation the next remeasurement date for the covenants is 31 March 2026.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)****Hedge of net investment in the foreign operations**

The LSE bonds issued by the Company in 2017-2020 and denominated in US dollars were identified as hedging instruments for net investments in the Group's foreign subsidiaries: TCO, KMG Kashagan BV and KMG Karachaganak. As of December 31, 2025, the nominal value of the bonds issued by the Company in 2017-2020 was USD 4,500 million (USD 5,000 million as of December 31, 2024). The maturity of the hedging instruments ranges from 2 to 23 years. In 2025, an exchange gain of 92,338 million tenge (2024: an exchange loss of 358,847 million tenge) was reclassified to other comprehensive income and offset against the currency translation differences of foreign operations, mentioned above.

**27. LEASE LIABILITIES**

Future minimum lease payments under leases together with the present value of the net minimum lease payments comprised the following:

| <i>In millions of tenge</i>                       | <b>Lease payments</b>    |                   | <b>Present value of minimum lease payments</b> |                   |
|---------------------------------------------------|--------------------------|-------------------|------------------------------------------------|-------------------|
|                                                   | <b>December 31, 2025</b> | December 31, 2024 | <b>December 31, 2025</b>                       | December 31, 2024 |
| Within one year                                   | <b>22,054</b>            | 26,471            | <b>16,677</b>                                  | 20,882            |
| Two to five years inclusive                       | <b>61,229</b>            | 56,149            | <b>35,807</b>                                  | 29,308            |
| After five years                                  | <b>100,369</b>           | 102,326           | <b>76,488</b>                                  | 74,026            |
|                                                   | <b>183,652</b>           | 184,946           | <b>128,972</b>                                 | 124,216           |
| Less: amounts representing finance costs          | <b>(54,680)</b>          | (60,730)          | –                                              | –                 |
| <b>Present value of lease payments</b>            | <b>128,972</b>           | 124,216           | <b>128,972</b>                                 | 124,216           |
| Less: amounts due for settlement within 12 months | <b>(22,054)</b>          | (26,471)          | <b>(16,677)</b>                                | (20,882)          |
| <b>Amounts due for settlement after 12 months</b> | <b>161,598</b>           | 158,475           | <b>112,295</b>                                 | 103,334           |

As at December 31, 2025, interest calculation was based on effective interest rates ranging from 2.95% to 19.00% (December 31, 2024: from 2.95% to 25.29%).

Changes in lease liabilities for the year ended December 31, 2025 and 2024:

| <i>In millions of tenge</i>  | <b>2025</b>     | <b>2024</b> |
|------------------------------|-----------------|-------------|
| <b>On January 1</b>          | <b>124,216</b>  | 105,280     |
| Additions of leases          | <b>12,882</b>   | 23,790      |
| Interest accrued (Note 14)   | <b>9,343</b>    | 8,444       |
| Repayment of principal       | <b>(29,520)</b> | (26,118)    |
| Interest paid                | <b>(1,157)</b>  | (1,279)     |
| Foreign exchange loss/(gain) | <b>9,550</b>    | (4,611)     |
| Foreign currency translation | <b>(4,432)</b>  | 14,842      |
| Modification                 | <b>10,240</b>   | 7,386       |
| Early termination            | <b>(906)</b>    | (2,661)     |
| Other                        | <b>(1,244)</b>  | (857)       |
| <b>On December 31</b>        | <b>128,972</b>  | 124,216     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. PROVISIONS**

| <i>In millions of tenge</i>                                    | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b>  | <b>Total</b>   |
|----------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------------|--------------------------------|---------------|----------------|
| <b>As at December 31, 2023</b>                                 | 208,705                                     | 77,061                                                      | 6,974                          | 47,055        | 339,795        |
| Foreign currency translation                                   | 11,879                                      | 9,137                                                       | 158                            | 3,002         | 24,176         |
| Change in estimate                                             | (18,446)                                    | (210)                                                       | –                              | (14)          | (18,670)       |
| Unwinding of discount ( <i>Note 14</i> )                       | 17,082                                      | 1,647                                                       | –                              | 141           | 18,870         |
| Provision for the year                                         | 4,225                                       | –                                                           | 61                             | 6,601         | 10,887         |
| Transfers and reclassifications to other financial liabilities | –                                           | –                                                           | –                              | (4,742)       | (4,742)        |
| Unused amounts reversed                                        | (788)                                       | (2,377)                                                     | (4,305)                        | (131)         | (7,601)        |
| Use of provision                                               | (1,465)                                     | (6,139)                                                     | –                              | (27,458)      | (35,062)       |
| <b>As at December 31, 2024</b>                                 | <b>221,192</b>                              | <b>79,119</b>                                               | <b>2,888</b>                   | <b>24,454</b> | <b>327,653</b> |
| Foreign currency translation                                   | (3,449)                                     | (2,558)                                                     | (37)                           | (718)         | (6,762)        |
| Change in estimate                                             | (43,516)                                    | (25)                                                        | –                              | (23)          | (43,564)       |
| Unwinding of discount ( <i>Note 14</i> )                       | 20,097                                      | 1,204                                                       | –                              | 139           | 21,440         |
| Provision for the year                                         | 7,142                                       | 1,305                                                       | 789                            | 10,639        | 19,875         |
| Reclassification from tax liabilities                          | –                                           | –                                                           | 2,243                          | –             | 2,243          |
| Unused amounts reversed                                        | (278)                                       | (8,067)                                                     | (1,461)                        | (2,263)       | (12,069)       |
| Use of provision                                               | (1,210)                                     | (1,704)                                                     | (689)                          | (8,343)       | (11,946)       |
| <b>As at December 31, 2025</b>                                 | <b>199,978</b>                              | <b>69,274</b>                                               | <b>3,733</b>                   | <b>23,885</b> | <b>296,870</b> |

Detailed description of significant provisions, including critical estimates and judgments used, is included in *Note 4*.

Current portion and long-term portion are segregated as follows:

| <i>In millions of tenge</i>    | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b>  | <b>Total</b>   |
|--------------------------------|---------------------------------------------|-------------------------------------------------------------|--------------------------------|---------------|----------------|
| Current portion                | 1,374                                       | 1                                                           | 1,518                          | 14,218        | 17,111         |
| Long-term portion              | 198,604                                     | 69,273                                                      | 2,215                          | 9,667         | 279,759        |
| <b>As at December 31, 2025</b> | <b>199,978</b>                              | <b>69,274</b>                                               | <b>3,733</b>                   | <b>23,885</b> | <b>296,870</b> |
| Current portion                | 1,440                                       | 1,910                                                       | 2,888                          | 13,286        | 19,524         |
| Long-term portion              | 219,752                                     | 77,209                                                      | –                              | 11,168        | 308,129        |
| <b>As at December 31, 2024</b> | <b>221,192</b>                              | <b>79,119</b>                                               | <b>2,888</b>                   | <b>24,454</b> | <b>327,653</b> |

**29. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES**

| <i>In millions of tenge</i>            | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|----------------------------------------|------------------------------|------------------------------|
| <b>Trade accounts payable</b>          | <b>546,873</b>               | <b>598,787</b>               |
| <b>Other financial liabilities</b>     |                              |                              |
| Due to employees                       | 86,922                       | 78,950                       |
| Other trade payables                   | 28,627                       | 40,534                       |
| Derivative financial instruments       | 383                          | 2,950                        |
| Other                                  | 64,833                       | 53,812                       |
|                                        | <b>180,765</b>               | <b>176,246</b>               |
| Current portion                        | 179,684                      | 169,150                      |
| Non-current portion                    | 1,081                        | 7,096                        |
|                                        | <b>180,765</b>               | <b>176,246</b>               |
| <b>Other non-financial liabilities</b> |                              |                              |
| Contract liabilities                   | 202,973                      | 227,046                      |
| Other                                  | 53,313                       | 15,432                       |
|                                        | <b>256,286</b>               | <b>242,478</b>               |
| Current portion                        | 188,478                      | 206,303                      |
| Non-current portion                    | 67,808                       | 36,175                       |
|                                        | <b>256,286</b>               | <b>242,478</b>               |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****29. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES (continued)**

Other financial liabilities include current financial liability arising from a put option liability to repurchase a stake in the share capital of the Kazakh-Romanian Energy Investment Fund on behalf of the Romanian Society for the Administration of Energy Participation in the amount of 15,085 million tenge (as at December 31, 2024: 14,774 million tenge).

Other non-financial liabilities include long term tax liabilities of KMGI payable until 2030 in accordance with the payment schedule approved by the Romanian tax authorities and reclassified from current tax liabilities in the amount of 36,585 million tenge (as of December 31, 2024: nil tenge).

During 2025, the Group met contractual obligations by providing services for the transportation of oil and sale of petroleum products, and recognized revenue from these contractual obligations in the amount of 155,425 million tenge (2024: 91,795 million tenge).

As of December 31, 2025, and 2024, trade accounts payable were denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|-----------------------------|------------------------------|------------------------------|
| US dollars                  | <b>298,867</b>               | 389,492                      |
| Tenge                       | <b>152,628</b>               | 137,939                      |
| Romanian Leu                | <b>72,598</b>                | 56,388                       |
| Euro                        | <b>15,162</b>                | 6,296                        |
| Other currency              | <b>7,618</b>                 | 8,672                        |
| <b>Total</b>                | <b>546,873</b>               | 598,787                      |

As at December 31, 2025 and 2024, trade accounts payable and other financial liabilities were non-interest bearing.

**30. OTHER TAXES PAYABLE**

| <i>In millions of tenge</i>        | <b>December 31,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|------------------------------------|------------------------------|------------------------------|
| VAT                                | <b>70,969</b>                | 28,394                       |
| Rent tax on crude oil export       | <b>33,808</b>                | 15,071                       |
| Mineral Extraction Tax             | <b>19,732</b>                | 15,782                       |
| Social tax                         | <b>7,665</b>                 | 7,436                        |
| Turnover tax                       | <b>6,766</b>                 | 4,847                        |
| Individual income tax              | <b>4,911</b>                 | 6,042                        |
| Withholding tax from non-residents | <b>4,867</b>                 | 59                           |
| Excise tax                         | <b>2,259</b>                 | 1,871                        |
| Other                              | <b>3,856</b>                 | 4,129                        |
|                                    | <b>154,833</b>               | 83,631                       |

**31. INCOME TAX EXPENSES**

As at December 31, 2025, income taxes prepaid of 62,515 million tenge (as at December 31, 2024: 41,170 million tenge) are mainly represented by corporate income tax. As at December 31, 2025, income taxes payable of 22,688 million tenge (as at December 31, 2024: 15,600 million tenge) are mainly represented by corporate income tax.

Income tax expense comprised the following for the years ended December 31, 2025 and 2024:

| <i>In millions of tenge</i>                      | <b>2025</b>     | <b>2024</b> |
|--------------------------------------------------|-----------------|-------------|
| <b>Current income tax</b>                        |                 |             |
| Corporate income tax                             | <b>274,446</b>  | 168,573     |
| Withholding tax on dividends and interest income | <b>135,739</b>  | 81,138      |
| Alternative mineral extraction tax               | <b>3,084</b>    | 2,628       |
| Excess profit tax                                | <b>1,229</b>    | 1,149       |
| <b>Deferred income tax</b>                       |                 |             |
| Corporate income tax                             | <b>(2,452)</b>  | 131,419     |
| Alternative mineral extraction tax               | <b>4,082</b>    | 5,734       |
| Withholding tax on dividends                     | <b>(56,425)</b> | (27,554)    |
| <b>Income tax expenses</b>                       | <b>359,703</b>  | 363,087     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

A reconciliation of income tax expenses applicable to profit before income tax at the statutory income tax rate (20% in 2025 and 2024) to income tax expenses was as follows for the years ended December 31:

| <i>In millions of tenge</i>                          | <b>2025</b>      | <b>2024</b> |
|------------------------------------------------------|------------------|-------------|
| Profit before income tax                             | <b>1,431,757</b> | 1,457,334   |
| Statutory tax rate                                   | <b>20%</b>       | 20%         |
| <b>Income tax expense on accounting profit</b>       | <b>286,351</b>   | 291,467     |
| Share in profit of joint ventures and associates     | <b>(94,258)</b>  | (60,724)    |
| Other non-deductible expenses and non-taxable income | <b>16,667</b>    | 7,469       |
| Effect of different corporate income tax rates       | <b>63,234</b>    | 61,780      |
| Alternative mineral extraction tax                   | <b>7,166</b>     | 8,362       |
| Excess profit tax                                    | <b>1,229</b>     | 1,149       |
| Withholding tax on dividends and interest income     | <b>79,314</b>    | 53,584      |
| <b>Income tax expenses</b>                           | <b>359,703</b>   | 363,087     |

KMG Kashagan B.V. and KMG Karachaganak have a Production Sharing Agreement and a Final Production Sharing Agreement, respectively, that provide for a stabilized tax regime under the 1997 Tax Code, which must be applied throughout the entire abovementioned agreements period. The most significant tax impact of the stabilized tax regime is the application of a 30% corporate income tax rate to taxable profit.

Income tax rates for companies operating in jurisdictions such as the Netherlands, Romania and Switzerland range from 11.89% to 25.80%.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

Deferred tax balances, calculated by applying the statutory tax rates effective at the respective reporting dates to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the consolidated financial statements, are comprised of the following at December 31:

| <i>In millions of tenge</i>                                       | 2025                    |                                          |                    |                  |                                  | 2024                    |                                          |                 |                  |                                     |
|-------------------------------------------------------------------|-------------------------|------------------------------------------|--------------------|------------------|----------------------------------|-------------------------|------------------------------------------|-----------------|------------------|-------------------------------------|
|                                                                   | Corporate<br>income tax | Alternative<br>mineral<br>extraction tax | Withholding<br>tax | Total            | Recognized in<br>profit and loss | Corporate<br>income tax | Alternative<br>mineral<br>extraction tax | Withholding tax | Total            | Recognized in<br>profit and<br>loss |
| <b>Deferred tax assets</b>                                        |                         |                                          |                    |                  |                                  |                         |                                          |                 |                  |                                     |
| Property, plant and equipment                                     | 33,545                  | –                                        | –                  | 33,545           | 9,651                            | 23,894                  | –                                        | –               | 23,894           | 875                                 |
| Tax loss carryforward                                             | 439,960                 | –                                        | –                  | 439,960          | (168,860)                        | 608,820                 | –                                        | –               | 608,820          | (74,465)                            |
| Employee benefits related<br>accruals                             | 6,990                   | –                                        | –                  | 6,990            | 1,630                            | 5,360                   | –                                        | –               | 5,360            | (2,268)                             |
| Impairment of financial assets                                    | 5                       | –                                        | –                  | 5                | (9,356)                          | 9,361                   | –                                        | –               | 9,361            | 1,256                               |
| Environmental liability                                           | 1,918                   | –                                        | –                  | 1,918            | (152)                            | 2,070                   | –                                        | –               | 2,070            | (961)                               |
| Other                                                             | 90,378                  | –                                        | –                  | 90,378           | (24,037)                         | 86,668                  | 4,291                                    | –               | 90,959           | 59,281                              |
| Less: unrecognized deferred tax<br>assets                         | (410,018)               | –                                        | –                  | (410,018)        | 173,502                          | (583,520)               | –                                        | –               | (583,520)        | (32,179)                            |
| Less: deferred tax assets offset<br>with deferred tax liabilities | (128,239)               | –                                        | –                  | (128,239)        | (22,000)                         | (106,239)               | –                                        | –               | (106,239)        | 117,074                             |
| <b>Deferred tax assets</b>                                        | <b>34,539</b>           | <b>–</b>                                 | <b>–</b>           | <b>34,539</b>    | <b>(39,622)</b>                  | <b>46,414</b>           | <b>4,291</b>                             | <b>–</b>        | <b>50,705</b>    | <b>68,613</b>                       |
| <b>Deferred tax liabilities</b>                                   |                         |                                          |                    |                  |                                  |                         |                                          |                 |                  |                                     |
| Property, plant and equipment                                     | 837,756                 | 22                                       | –                  | 837,778          | (20,572)                         | 858,119                 | 231                                      | –               | 858,350          | 88,577                              |
| Undistributed earnings of joint<br>ventures and associates        | –                       | –                                        | 554,748            | 554,748          | (56,425)                         | –                       | –                                        | 634,427         | 634,427          | (27,554)                            |
| Other                                                             | 9,749                   | –                                        | –                  | 9,749            | 4,580                            | 5,298                   | –                                        | –               | 5,298            | 115                                 |
| Less: deferred tax assets offset<br>with deferred tax liabilities | (128,239)               | –                                        | –                  | (128,239)        | (22,000)                         | (106,239)               | –                                        | –               | (106,239)        | 117,074                             |
| <b>Deferred tax liabilities</b>                                   | <b>719,266</b>          | <b>22</b>                                | <b>554,748</b>     | <b>1,274,036</b> | <b>(94,417)</b>                  | <b>757,178</b>          | <b>231</b>                               | <b>634,427</b>  | <b>1,391,836</b> | <b>178,212</b>                      |
| <b>Net deferred tax liability</b>                                 | <b>684,727</b>          | <b>22</b>                                | <b>554,748</b>     | <b>1,239,497</b> | <b>–</b>                         | <b>710,764</b>          | <b>(4,060)</b>                           | <b>634,427</b>  | <b>1,341,131</b> | <b>–</b>                            |
| <b>Deferred tax expense</b>                                       |                         |                                          |                    |                  | <b>(54,795)</b>                  |                         |                                          |                 |                  | <b>109,599</b>                      |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

Deferred corporate income tax and excess profit tax are determined with reference to individual subsoil use contracts. Deferred corporate income tax is also determined for activities outside of the scope of subsoil use contracts. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax asset arising mainly from tax losses carry forward amounted to 410,018 million tenge as at December 31, 2025 (as at December 31, 2024: 583,520 million tenge).

Tax losses carry forward as at December 31, 2025 and 2024, in the RK expire for tax purposes after ten years from the date they are incurred.

The movements in the deferred tax liability/(asset) were as follows:

|                                                                      | 2025                    |                                             |                    |                  | 2024                    |                                          |                    |           |
|----------------------------------------------------------------------|-------------------------|---------------------------------------------|--------------------|------------------|-------------------------|------------------------------------------|--------------------|-----------|
|                                                                      | Corporate<br>income tax | Alternative<br>mineral<br>extraction<br>tax | Withholding<br>tax | Total            | Corporate<br>income tax | Alternative<br>mineral<br>extraction tax | Withholding<br>tax | Total     |
| <i>In millions of tenge</i>                                          |                         |                                             |                    |                  |                         |                                          |                    |           |
| <b>Net deferred tax liability as at January 1, net</b>               | <b>710,764</b>          | <b>(4,060)</b>                              | <b>634,427</b>     | <b>1,341,131</b> | 495,634                 | (9,794)                                  | 571,270            | 1,057,110 |
| Foreign currency translation                                         | (23,456)                | –                                           | (23,254)           | (46,710)         | 83,737                  | –                                        | 90,711             | 174,448   |
| Tax (income)/expense during the year recognized in profit and loss   | (2,452)                 | 4,082                                       | (56,425)           | (54,795)         | 131,419                 | 5,734                                    | (27,554)           | 109,599   |
| Tax expense during the year recognized in other comprehensive income | (129)                   | –                                           | –                  | (129)            | (26)                    | –                                        | –                  | (26)      |
| <b>Net deferred tax liability as at December 31, net</b>             | <b>684,727</b>          | <b>22</b>                                   | <b>554,748</b>     | <b>1,239,497</b> | 710,764                 | (4,060)                                  | 634,427            | 1,341,131 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. RELATED PARTY DISCLOSURES****Terms and conditions of transactions with related parties**

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include the key management personnel of the Group, as well as the entities in which the key management personnel of the Group directly or indirectly hold a significant equity interest.

Other entities controlled by the Government are also related parties of the Group. Transactions with these entities are not disclosed if they are carried out in the ordinary course of business in accordance with legal requirements and conditions consistently applied to all public and private companies.

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances at the year-end are mainly unsecured and interest free and settlement occurs in cash, except as indicated below. The Group recognizes allowances for ECL on debt from related parties in accordance with the same principles and policies for ECL applied to determine ECL on debt owed to third parties.

**Transactions balances**

The following table provides the balances of transactions with related parties as at December 31, 2025 and 2024:

| <i>In millions of tenge</i>    | <b>December 31,</b> | <b>Due from<br/>related<br/>parties*</b> | <b>Due to<br/>related<br/>parties*</b> | <b>Cash and<br/>deposits<br/>placed with<br/>related<br/>parties</b> | <b>Borrowings<br/>payable to<br/>related<br/>parties</b> | <b>Financial<br/>assets and<br/>loans due<br/>from related<br/>parties</b> |
|--------------------------------|---------------------|------------------------------------------|----------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------------------------|
| Samruk-Kazyna                  | <b>2025</b>         | <b>31,402</b>                            | <b>–</b>                               | <b>–</b>                                                             | <b>693,287</b>                                           | <b>46,674</b>                                                              |
|                                | 2024                | 28,451                                   | –                                      | –                                                                    | 688,622                                                  | 54,317                                                                     |
| Samruk-Kazyna entities         | <b>2025</b>         | <b>145,496</b>                           | <b>2,012</b>                           | <b>41,500</b>                                                        | <b>–</b>                                                 | <b>166</b>                                                                 |
|                                | 2024                | 29,336                                   | 2,716                                  | 56,849                                                               | –                                                        | 172                                                                        |
| Associates                     | <b>2025</b>         | <b>10,404</b>                            | <b>3,980</b>                           | <b>–</b>                                                             | <b>–</b>                                                 | <b>–</b>                                                                   |
|                                | 2024                | 18,314                                   | 13,650                                 | –                                                                    | –                                                        | –                                                                          |
| Other state-controlled parties | <b>2025</b>         | <b>8,672</b>                             | <b>7,999</b>                           | <b>–</b>                                                             | <b>47,569</b>                                            | <b>37,378</b>                                                              |
|                                | 2024                | 2,611                                    | 3,407                                  | –                                                                    | 65,999                                                   | 38,329                                                                     |
| Joint ventures                 | <b>2025</b>         | <b>53,715</b>                            | <b>207,159</b>                         | <b>–</b>                                                             | <b>–</b>                                                 | <b>174,410</b>                                                             |
|                                | 2024                | 32,014                                   | 177,411                                | –                                                                    | –                                                        | 106,338                                                                    |

\* The amounts are mainly classified as «Trade accounts receivables» and «Trade accounts payables»

**Due from/to related parties***Samruk-Kazyna and Samruk-Kazyna entities*

As at December 31, 2025, due from related parties are mainly represented by trade receivables arising from the sale of oil products to JSC "NC Kazakhstan Temir Zholy", subsidiary of Samruk-Kazyna amounting to 140,380 million tenge (December 31, 2024: 26,027 million tenge).

In 2024, the Company sold investment property to Samruk-Kazyna with a carrying value of 13,503 million tenge. According to the terms of the purchase and sale agreement, the sales price was 22,872 million tenge with deferred payment until June 2027. The difference between the sales price, which is the fair value, and the nominal amount of the debt of Samruk-Kazyna in the amount of 8,741 million tenge is reflected in these consolidated financial statements as finance expenses (Note 14).

*Joint ventures*

As at December 31, 2025, balances due to joint ventures were mainly represented by accounts payable for crude oil to TCO for 171,072 million tenge (December 31, 2024: 143,651 million tenge).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**32. RELATED PARTY DISCLOSURES (continued)****Cash and deposits placed with related parties***Samruk-Kazyna entities*

As at December 31, 2025, the Group has current accounts and term deposits consisting of cash in tenge and dollars on the accounts of Kazpost JSC, subsidiary of Samruk-Kazyna, in the total amount of 41,500 million tenge (December 31, 2024: 56,849 million tenge). The interest rates vary from 3.3% to 3.6% per annum on dollar denominated amounts and 17% for tenge denominated amounts.

**Borrowings payable to related parties***Samruk-Kazyna*

As at December 31, 2025, the borrowings payable to related parties were mainly represented by the bonds placed by the Company in 2022 and acquired by Samruk-Kazyna for 649,876 million tenge (December 31, 2024: 642,749 million tenge) (Note 26).

*Other state-controlled parties*

As at December 31, 2025, the borrowings payable to related parties include loans received from DBK by Atyrau refinery and loans received from the Eurasian Development Bank by KTO in the total amount of 47,569 million tenge (December 31, 2024: loans received from DBK by Atyrau and Pavlodar refineries and loans received by KTO from Eurasian Development Bank in the total amount of 65,999 million tenge) (Note 26).

**Financial assets and loans due from related parties***Samruk-Kazyna*

As at December, 31, 2025 financial assets and loans due from related parties were represented by a loan given by Karachaganak to Samruk-Kazyna in the amount of 22,576 million tenge (December 31, 2024: 21,838 million tenge) and by the bonds receivable from Samruk-Kazyna of 24,160 million tenge, net of expected credit losses (December 31, 2024: 22,461 million tenge).

*Other state-controlled parties*

During 2025, the Group purchased short-term notes of NB RK in the total amount of 446,814 million tenge with an interest rate of 16.08%. Short-term notes of NB RK acquired in 2024 and 2025 in the amount of 447,884 million tenge were redeemed.

During 2024, the Group purchased short-term notes of NB RK in the total amount of 308,147 million tenge with an interest rate of 13.71%. Short-term notes of NB RK acquired in 2023 and 2024 in the amount of 302,600 million tenge were redeemed.

*Joint ventures*

As at December, 31, 2025, financial assets and loans due from related parties were mainly represented by loans issued to KPI with interest rates of SOFR+2.8%, KKO with interest rates of SOFR+3% and interest free loan to UGL for the total amount of 162,326 million tenge (December 31, 2024: 94,732 million tenge).

As of 31 December 2025, the carrying amount of financial guarantee liabilities, provided to joint ventures Silleno and KPI to ensure their financial obligations amounted to 18,009 million tenge (31 December 2024: 858 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. RELATED PARTY DISCLOSURES (continued)****Transactions turnover**

The following table provides the total amount of transactions, which have been entered into with related parties during 2025 and 2024:

| <i>In millions of tenge</i>    |             | <b>Sales to related parties*</b> | <b>Purchases from related parties*</b> | <b>Interest earned from related parties</b> | <b>Interest incurred to related parties</b> |
|--------------------------------|-------------|----------------------------------|----------------------------------------|---------------------------------------------|---------------------------------------------|
| Samruk-Kazyna                  | <b>2025</b> | <b>4,233</b>                     | <b>2,774</b>                           | <b>8,526</b>                                | <b>83,686</b>                               |
|                                | 2024        | 33,966                           | 6,740                                  | 66,305                                      | 80,315                                      |
| Samruk-Kazyna entities         | <b>2025</b> | <b>240,958</b>                   | <b>54,586</b>                          | <b>2,644</b>                                | <b>–</b>                                    |
|                                | 2024        | 135,107                          | 83,775                                 | 2,542                                       | –                                           |
| Associates                     | <b>2025</b> | <b>43,868</b>                    | <b>81,118</b>                          | <b>17</b>                                   | <b>–</b>                                    |
|                                | 2024        | 43,888                           | 84,599                                 | 154                                         | –                                           |
| Other state-controlled parties | <b>2025</b> | <b>1,004</b>                     | <b>54,376</b>                          | <b>7,906</b>                                | <b>8,674</b>                                |
|                                | 2024        | 1,329                            | 49,934                                 | 7,458                                       | 10,773                                      |
| Joint ventures                 | <b>2025</b> | <b>513,061</b>                   | <b>2,189,601</b>                       | <b>10,606</b>                               | <b>–</b>                                    |
|                                | 2024        | 410,418                          | 1,744,984                              | 13,534                                      | 6,324                                       |

\* The amounts are mainly classified as «Revenue from contracts with customers», «Cost of purchased oil, gas, petroleum products and other materials», «Production expenses», «Transportation and selling expenses» and «General and administrative expenses».

**Sales to related parties / purchases from related parties***Joint ventures*

In 2025, sales to joint ventures were mainly represented by crude oil and petroleum products refinery services provided to KCEG for amount of 161,731 million tenge (2024: 87,871 million tenge), crude oil transportation services and drilling services provided to MMG for total amount of 79.320 million tenge (2024: 88.444 million tenge) and cargo servicing provided to TCO for 26,934 million tenge (2024: 21,138 million tenge).

In 2025, purchases from joint ventures were mainly attributable to purchases of crude oil from TCO for 2,107,480 million tenge (2024: 1,703,581 million tenge).

**Key management employee compensation**

Total compensation to key management personnel (members of the Boards of directors and Management boards of the Group, including the Company and its subsidiaries) included in general and administrative expenses in the consolidated statement of the comprehensive income was equal to 8,835 million tenge and 7,568 million tenge for the years ended December 31, 2025 and 2024, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES**

The Group's main financial instruments mainly consist of borrowings, loans given, financial guarantees, cash and cash equivalents, bank deposits as well as accounts receivable and accounts payable. The Group is exposed to interest rate risk, foreign currency risk and credit risk. The Group further monitors the market risk and liquidity risk arising from all financial instruments.

**Market risk**

The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency, and securities, all of which are exposed to general and specific market movements. The Group manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing appropriate margin and collateral requirements. The sensitivity analyses in the following sections relate to the position as of December 31, 2025 and 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Market risk (continued)***Foreign currency risk*

As a result of significant borrowings and accounts payable denominated in the US dollars, the Group's consolidated statement of financial position can be affected significantly by movement in the US dollar/tenge exchange rates. The Group also has transactional currency exposures. Such exposure arises from revenues in US dollars. The Group has a policy on managing its foreign currency risk in US dollar by matching US dollar denominated financial assets with US dollar denominated financial liabilities. The following table demonstrates the sensitivity of the Group's profit before income tax (due to changes in the cash flows of monetary assets and liabilities) to a reasonably possible change in the US dollar and Euro exchange rate, with all other variables held constant. The sensitivity of possible changes in exchange rates for other currencies are not considered due to its insignificance to the consolidated financial results of Group's operations.

| <i>In millions of tenge</i> | <b>Increase/<br/>(decrease)<br/>in tenge to<br/>exchange rate</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|-------------------------------------------------------------------|--------------------------------------------|
| <b>2025</b>                 |                                                                   |                                            |
| USD                         | +9%                                                               | (30,113)                                   |
|                             | (9%)                                                              | 30,113                                     |
| EUR                         | +11%                                                              | (22,141)                                   |
|                             | (11%)                                                             | 22,141                                     |
| <b>2024</b>                 |                                                                   |                                            |
| USD                         | +9%                                                               | (100,651)                                  |
|                             | (7%)                                                              | 81,317                                     |
| Euro                        | +9%                                                               | (2,396)                                    |
|                             | (6%)                                                              | 1,584                                      |

*Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term borrowings with floating interest rates. The Group's policy is to manage its interest rate cost using a mix of fixed and variable rate borrowings. The following table demonstrates the sensitivity of the Group's profit before income tax (through the impact on floating rate borrowings) to a reasonably possible change in interest rates, with all other variables held constant. There is no significant impact on the Group's equity.

| <i>In millions of tenge</i> | <b>Increase/<br/>(decrease)<br/>in basis points</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|-----------------------------------------------------|--------------------------------------------|
| <b>2025</b>                 |                                                     |                                            |
| SOFR                        | +0.22                                               | (996)                                      |
|                             | (0.22)                                              | 996                                        |
| <b>2024</b>                 |                                                     |                                            |
| SOFR                        | +4.50                                               | (25,680)                                   |
|                             | +0.39                                               | (2,226)                                    |

**Credit risk**

The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

With respect to credit risks arising on other financial assets of the Group, which comprise cash and cash equivalents, bank deposits, loans and receivables from related parties and other financial assets, the Group's exposure to credit risks arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Credit risk (continued)**

The table below shows the risk profile of the Group’s cash and cash equivalents, short-term and long-term deposits held in banks as at December 31, 2025 and 2024, using the Fitch credit ratings, or in their absence, using their equivalent rates in S&P and Moody’s:

|              | <b>As at December 31</b> |             |
|--------------|--------------------------|-------------|
|              | <b>2025</b>              | <b>2024</b> |
| AA- to A+    | <b>21%</b>               | 18%         |
| A to A-      | <b>65%</b>               | 65%         |
| BBB+ to BBB- | <b>9%</b>                | 11%         |
| BB+ to BB-   | <b>5%</b>                | 6%          |

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The table below summarizes the maturity profile of the Group’s financial liabilities as at December 31, 2025 and 2024, based on contractual undiscounted payments.

| <i>In millions of tenge</i>    | <b>Due less than 1 month</b> | <b>Due later than 1 month but not later than 3 months</b> | <b>Due later than 3 months but not later than 1 year</b> | <b>Due later than 1 year but not later than 5 years</b> | <b>Due after 5 years</b> | <b>Total</b>     |
|--------------------------------|------------------------------|-----------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|--------------------------|------------------|
| <b>As at December 31, 2025</b> |                              |                                                           |                                                          |                                                         |                          |                  |
| Borrowings*                    | –                            | 3,854                                                     | 436,344                                                  | 1,872,240                                               | 3,911,492                | 6,223,930        |
| Trade accounts payable         | 263,021                      | 263,928                                                   | 18,824                                                   | 983                                                     | 251                      | 547,007          |
| Financial guarantees**         | 231,843                      | –                                                         | –                                                        | –                                                       | –                        | 231,843          |
| Lease liabilities              | 2,620                        | 4,562                                                     | 15,423                                                   | 62,886                                                  | 103,685                  | 189,176          |
| Other financial liabilities    | 21,664                       | 29,782                                                    | 40,668                                                   | 37,595                                                  | –                        | 129,709          |
|                                | <b>519,148</b>               | <b>302,126</b>                                            | <b>511,259</b>                                           | <b>1,973,704</b>                                        | <b>4,015,428</b>         | <b>7,321,665</b> |
| <b>As at December 31, 2024</b> |                              |                                                           |                                                          |                                                         |                          |                  |
| Borrowings*                    | 8,311                        | 4,279                                                     | 508,247                                                  | 1,760,405                                               | 5,449,825                | 7,731,067        |
| Trade accounts payable         | 208,205                      | 226,758                                                   | 163,824                                                  | –                                                       | –                        | 598,787          |
| Financial guarantees**         | –                            | 59                                                        | 32,269                                                   | 14,991                                                  | –                        | 47,319           |
| Lease liabilities              | 2,788                        | 4,488                                                     | 19,195                                                   | 56,149                                                  | 102,326                  | 184,946          |
| Other financial liabilities    | 38,867                       | 22,566                                                    | 72,418                                                   | 8,990                                                   | –                        | 142,841          |
|                                | <b>258,171</b>               | <b>258,150</b>                                            | <b>795,953</b>                                           | <b>1,840,535</b>                                        | <b>5,552,151</b>         | <b>8,704,960</b> |

\* The Group excludes from the maturity profile table the borrowings payable to project partners under the carry-in financing agreements due to the uncertainty of maturity of these loans. As of December 31, 2025, the borrowings due to partners were 7,782 million tenge (December 31, 2024: 31,926 million tenge).

\*\* The Group includes financial guarantees to the maturity profile table, however, the cash outflow in relation to financial guarantees is subject to certain conditions. Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. In 2025 and 2024 there was no significant instances of financial guarantees execution.

**Capital management**

The primary objective of the Group’s capital management is to maximise the shareholder value. The Group manages its capital to ensure that Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company seeks to maintain a prudent capital structure to support its capital investment plans and maintain investment grade credit rating through the cycle. Maintaining sufficient financial flexibility is considered strategically important to mitigate industry cyclicality while also enabling the pursuit of organic and inorganic investment opportunities. The Company has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt incurrence.

For the purpose of the Group’s capital management, the capital structure of the Group consists of borrowings (Note 26) less cash (Note 24) and short-term deposits (Note 19) and equity, comprising share capital, additional paid-in capital, other reserves and retained earnings (Note 25).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)**

The Group’s management regularly reviews the capital structure. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Also to achieve this overall objective, the Group’s capital management, among other things, aims to ensure that it meets financial covenants attached to borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any borrowing in the years ended December 31, 2025 and 2024 (*Note 26*).

| <i>In millions of tenge</i>                               | <b>December 31,<br/>2025</b> | December 31,<br>2024 |
|-----------------------------------------------------------|------------------------------|----------------------|
| Borrowings                                                | <b>3,521,947</b>             | 3,967,401            |
| less: cash, cash equivalents and short-term bank deposits | <b>3,073,649</b>             | 2,730,267            |
| <b>Net debt</b>                                           | <b>448,298</b>               | 1,237,134            |
| Equity                                                    | <b>12,386,325</b>            | 11,924,284           |
| <b>Capital and net debt</b>                               | <b>12,834,623</b>            | 13,161,418           |

No changes were made in the overall strategy, objectives, policies or processes for managing capital during the years ended December 31, 2025 and 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments**

Information on the carrying amount and fair value of certain financial instruments of the Group as at December 31, 2025 and 2024, disclosed below:

| <i>In millions of tenge</i>                                                          | December 31, 2025 |            |                                   |         |         | December 31, 2024 |            |                                   |         |         |
|--------------------------------------------------------------------------------------|-------------------|------------|-----------------------------------|---------|---------|-------------------|------------|-----------------------------------|---------|---------|
|                                                                                      | Carrying amount   | Fair value | Fair value by level of assessment |         |         | Carrying amount   | Fair value | Fair value by level of assessment |         |         |
|                                                                                      |                   |            | Level 1                           | Level 2 | Level 3 |                   |            | Level 1                           | Level 2 | Level 3 |
| Bonds receivable from Samruk-Kazyna                                                  | 24,098            | 11,708     | –                                 | 11,708  | –       | 32,479            | 27,650     | –                                 | 27,650  | –       |
| NB RK notes                                                                          | 37,378            | 37,378     | –                                 | 37,378  | –       | 38,329            | 38,329     | –                                 | 38,329  | –       |
| Loans and receivables due from related parties at fair value through profit and loss | 159,655           | 159,655    | –                                 | –       | 159,655 | 93,743            | 93,743     | –                                 | –       | 93,743  |
| Loans given to related parties at amortized cost                                     | 37,344            | 37,502     | –                                 | 22,576  | 14,926  | 34,445            | 36,700     | –                                 | 21,838  | 14,862  |
| Fixed interest rate borrowings                                                       | 3,062,408         | 2,948,106  | 2,926,144                         | 21,962  | –       | 3,396,818         | 3,238,502  | 2,406,715                         | 831,787 | –       |
| Financial guarantees                                                                 | 18,009            | 18,009     | –                                 | –       | 18,009  | 858               | 858        | –                                 | –       | 858     |
| Floating interest rate borrowings                                                    | 459,539           | 459,538    | –                                 | 459,538 | –       | 570,583           | 570,656    | –                                 | 570,656 | –       |

For all other financial instruments, the carrying amount approximates their fair value.

The fair value of bonds receivable from the Samruk-Kazyna and other debt instruments have been calculated by discounting the expected future cash flows at market interest rates.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments (continued)**

The valuation technique, inputs used in the fair value measurement for Level 3 measurements and related sensitivity to reasonably possible changes in those inputs are as follows at December 31, 2025:

| <i>In millions of tenge</i>                                                          | <b>Fair value</b> | <b>Valuation technique</b>  | <b>Inputs used</b>    | <b>Range of inputs (weighted average)</b> | <b>Increase/(Decrease) in base rates</b> | <b>Sensitivity of fair value measurement</b> |
|--------------------------------------------------------------------------------------|-------------------|-----------------------------|-----------------------|-------------------------------------------|------------------------------------------|----------------------------------------------|
|                                                                                      |                   | Discounted cash flow method | SOFR+2.8%,<br>SOFR+3% | 6.5-8.5%                                  | +1%<br>(1)%                              | 3,836<br>(19,909)                            |
| Loans and receivables due from related parties at fair value through profit and loss | 159,655           |                             |                       |                                           |                                          |                                              |
| <b>Total recurring fair value measurement at level 3</b>                             | <b>159,655</b>    |                             |                       |                                           |                                          |                                              |

The above tables disclose the sensitivity to valuation inputs for financial assets, if changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would change the fair value significantly.

There were no changes in the valuation technique for level 3 recurring fair value measurements during the year ended December 31, 2025 and 2024.

A reconciliation of movements in Level 3 of the fair value hierarchy for the years ended December 31, 2025 and December 31, 2024, is as follows:

| <i>In millions of tenge</i>                                                                 | <b>2025</b>    | <b>2024</b> |
|---------------------------------------------------------------------------------------------|----------------|-------------|
| <b>Loans and receivables due from related parties at fair value through profit and loss</b> |                |             |
| Fair value at 1 January                                                                     | <b>93,743</b>  | 73,926      |
| Gains or losses recognised in profit or loss for the year                                   | <b>3,293</b>   | (47,843)    |
| Loans issued                                                                                | <b>63,570</b>  | 62,875      |
| Foreign currency translation                                                                | <b>(951)</b>   | 4,785       |
| <b>Fair value at 31 December</b>                                                            | <b>159,655</b> | 93,743      |

**34. CONTINGENT LIABILITIES AND COMMITMENTS****Operating environment**

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

**Commodity price risk**

The Group generates most of its revenue from the sale of commodities, primarily crude oil and oil products. Historically, the prices of these products have been volatile and have fluctuated widely in response to changes in supply and demand, market uncertainty, the performance of the global or regional economies and cyclicalities in industries. Prices may also be affected by the Government actions, including the imposition of tariffs and import duties, speculative trades, an increase in capacity or oversupply of the Group's products in its main markets. These external factors and the volatility of the commodity markets make it difficult to estimate future prices. A substantial or extended decline in commodity prices would materially and adversely affect the Group's business and the consolidated financial results and cash flows of operations. The Group mainly does not hedge its exposure to the risk of fluctuations in the price of its products.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Taxation**

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan’s tax laws are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of the Republic of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.

Management believes that as at December 31, 2025, its interpretation of the relevant legislation is appropriate and that it is probable that the Group’s tax positions will be sustained, except as provided for or otherwise disclosed in these consolidated financial statements.

**Sanctions**

The Group, as a participant in joint projects with foreign partners, conducts a comprehensive assessment of the potential impact of external factors, including sanctions restrictions. This assessment takes into account legal, financial and technical aspects. At the same time, project implementation continues as prescribed in accordance with the current legislation of the Republic of Kazakhstan and the contractual obligations of the parties.

The Group continuously monitors new restrictive measures adopted by the US, EU and UK and assesses their potential impact on the Group’s operations and the implementation of joint projects with Russian partners.

In November 2025, the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC) issued a license authorizing operations necessary for the Caspian Pipeline Consortium, TCO and Karachaganak projects. Furthermore, on November 10, 2025, the Ministry of Energy of the Republic of Kazakhstan, at the initiative of the Group, submitted an appeal to OFAC regarding operations involving the transportation of Russian oil through the territory of the Republic of Kazakhstan to the People’s Republic of China.

On November 21, 2025, OFAC Comfort Letters were received, according to which Pavlodar Refinery and KTO are authorized to conduct transactions related to Rosneft Oil Company PJSC if such transactions are typically necessary for their operations and fulfillment of contractual obligations, provided that there is no involvement of U.S. persons, no use of the U.S. financial system, no benefit to other sanctioned persons and no other violations of the sanctions regime. These Comfort Letters are set to expire on April 29, 2026. The Group’s management plans to continue working to extend the relevant OFAC Comfort Letters, if necessary, in accordance with established procedures.

To minimize sanctions risks, joint project agreements include appropriate mechanisms and legal remedies aimed at ensuring compliance with applicable international sanctions restrictions. The Group takes the necessary measures to comply with international sanctions requirements and minimize potential sanctions risks.

**Transfer pricing control**

Transfer pricing control in Kazakhstan has a very wide scope and applies to many transactions that directly or indirectly relate to international business regardless of whether the transaction participants are related or not. *The transfer pricing legislation* requires that all taxes applicable to a transaction should be calculated based on market price determined in accordance with the arm’s length principle. The law on transfer pricing came into force in Kazakhstan from January 1, 2009. The law is not explicit and there is little precedence with some of its provisions. Moreover, the law is not supported by detailed guidance for application of transfer pricing control to various types, as a result, there is a risk that the tax authorities may take a position that differs from the Group’s position, which could result in additional taxes, fines and interest. As at December 31, 2025, management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group’s positions with regard to transfer pricing will be sustained.

**Comprehensive tax audit at oil refineries of the Group**

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and PKOP were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and reduction in tax carry-forward losses for 119,871 million tenge.

Atyrau refinery, Pavlodar refinery and PKOP did not agree with the assessment and appealed to the Ministry of Finance of RK. Appeals of Atyrau refinery and Pavlodar refinery are under consideration by the Ministry of Finance of the RK.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Comprehensive tax audit at oil refineries of the Group (continued)**

PKOP partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3,694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of PKOP made on November 15, 2021 by the Civil Chamber of the Shymkent City Court. During 2024, PKOP took measures to appeal the decision of the Judicial Collegium for Civil Cases of the Supreme Court to the Prosecutor General's Office of the Republic of Kazakhstan. However, due to the lack of procedural opportunity, consideration of the petitions was refused. Accordingly, PKOP recognized a provision and paid tax and fine in the amount of 3,694 million tenge. On August 28, 2025, the Appeals Commission of the Ministry of Finance of the RK decided to overturn the contested notices issued by PKOP.

Taking into account the decisions of the Appeals Commission of the Ministry of Finance of the RK on PKOP, the Group expects a positive outcome on the contested notices regarding the results of tax audits at the Atyrau Refinery and the Pavlodar refinery.

The potential amount of additional value added tax (VAT) assessments for the period from 2020 to 2025 is calculated by applying the VAT rate of 12% to the amount of excise tax reimbursed by the toller, excluding potential fines and penalties as stipulated in accordance with the Administrative Code of the Republic of Kazakhstan.

The excise tax amount is determined by applying the excise tax rate per ton, established by Government Resolution of the Republic of Kazakhstan (hereinafter referred to as "GRRK") No. 173 dated April 6, 2018 (as amended by GRRK No. 841 dated November 25, 2021; GRRK No. 155 dated March 24, 2022 and GRRK No. 280 dated April 28, 2025) to the volume of petroleum products (gasoline and diesel fuel) transferred to tollers annually. The total volume of petroleum products transferred to tollers from 2020 to 2025 amounted to 27,007 thousand tons, including 12,772 thousand tons of gasoline and 14,234 thousand tons of diesel fuel. Additionally, from January 1, 2022, to April 4, 2022 (before the amendments introduced by GRRK No. 155 dated March 24, 2022, took effect on April 5, 2022), the volume of transferred petroleum products amounted to 721 thousand tons of gasoline and 810 thousand tons of diesel fuel.

**Legal issues and claims****Civil legal dispute between the National Mineral Resources Agency (NAMR) and Oilfield Exploration Business Solutions S.A (OEBS), subsidiary of KMGI, at the Focsani field**

On December 17, 2019, OEBS has been noticed by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On July 29, 2022, the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total NAMR claim of 20 million U.S. dollars. In 2022, the Group recognized a provision in the amount of 10.1 million dollars (equivalent to 5,106 million tenge).

On May 23, 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay 10.1 million U.S. dollars. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS was authorized to make the payment as follows: 30% of the liabilities will be paid directly to NAMR, while the remaining 70% in the amount of 7.1 million dollars (equivalent to 3,589 million tenge) will be paid to the Romanian tax authorities by November 23, 2026, in accordance with the debt Restructuring Plan agreed between OEBS and the National Agency for Fiscal Administration.

As of December 31 2025, OEBS paid 30% of the liabilities. The Group also reclassified the previously recognized provision into other financial liabilities (*Note 28 and 29*).

**Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products.

RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022.

In 2022, the Group recognized a provision on penalties in the amount of 12 million dollars (equivalent to 6,066 million tenge).

On August 26, 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The court hearing on RPM's appeal has been postponed until March, 2026.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Legal issues and claims (continued)****The Memorandum of Understanding**

On February 15, 2013, KMGI and the Government of Romania signed the Memorandum of Understanding (further – Memorandum) to settle a dispute arising from the conversion of bonds issued by Rompetrol Rafinare, subsidiary of KMGI.

Among other provisions, the Memorandum states that the precautionary seizure of Rompetrol Rafinare assets (including shares held by Rompetrol Rafinare in its subsidiaries) imposed in September 2010 to be lifted after the state withdraws its claim against the conversion of the bonds into Rompetrol Rafinare shares, which happened in March 2014. At the same time, the Government of Romania will organize an auction for the sale of 26.6959% of Rompetrol Rafinare shares (the first call), at which KMGI will have to offer a price not less than 200 million US dollars.

On January 22, 2025, KMGI formally notified the Romanian Ministry of Energy on termination of its obligations under the memorandum due to an ongoing legal dispute concerning the seizure of Rompetrol Rafinare’s assets.

On January 31, 2025, the Supreme Court confirmed the first court resolution by which Romanian Tax Authorities should issue a decision to cancel the enforcement order and release the precautionary seizure on assets of Rompetrol Rafinare. As of December 31, 2025, most of the assets are already released.

On April 30, 2025, the term for implementation of the Memorandum expired.

**The case of an administrative offense of the Atyrau refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Atyrau region**

In January 2025, Antimonopoly agency conducted an inspection for compliance with the legislation of the RK in the field of competition protection in relation to the Atyrau refinery on the grounds of establishing and maintaining monopolistically high prices for oil refining services in 2021-2023. In June 2025, Antimonopoly agency issued the Conclusion which stated that Atyrau refinery set monopolistically high tariff for oil refining services, which sets to confiscate revenue for 2021-2023 of 29,137 million tenge and impose fine of 37,390 million tenge (further Conclusion).

Atyrau refinery does not agree with the results of the Conclusion and on September 4, 2025, filed an administrative claim to the specialized interdistrict administrative court of the Atyrau region against the Conclusion. On December 5, 2025, the court denied the claim of Atyrau refinery. On February 12, 2026, Atyrau refinery filed an appeal against the court decision.

Due to significant disagreements regarding the calculation methodology and approaches used, it is not possible to reliably determine the amount of potential losses, including possible confiscation of income and administrative fines. Since the relevant liability is possible but not probable, and its amount cannot be reliably estimated, this situation is classified as a contingent liability.

**Environmental issues**

In 2021, a new Environmental Code came into force, which increases the responsibility of industrial enterprises for environmental pollution, and also provides for the introduction of a waste management hierarchy and the construction of waste energy recycling plants. According to the Environmental Code, facilities belonging to category I after the cessation of operation of facilities that have a negative impact on the environment must eliminate the consequences of the operation of such facilities and provide the authorized body in the field of environmental protection with financial security for obligations related to the elimination of the consequences of the activity within three years, starting July 1, 2029. In accordance with the Environmental Code of the Republic of Kazakhstan, the Company has legal obligations to dismantle and liquidate fixed assets and restore land plots. As of December 31, 2025, the carrying amount of the reserve for the largest oil refineries of the Group: Atyrau and Pavlodar Refineries amounted to 33,611 million tenge (as of December 31, 2024: 41,778 million tenge) (*Note 28*), which is equal to the present value of future cash outflows associated with the dismantling of the plant and land reclamation. The Company did not include these expected expenses to the deferred taxes calculation, since it does not expect taxable profit after the liquidation of assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Environmental audits**

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (further KERK) conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea dated November 18, 1997, further Operator, in which KMG Kashagan B.V. has a share of 16.88%. Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tons. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order.

On June 14, 2023, the Specialized Inter-District Administrative Court (further SIDAC) of the city of Astana ruled in favor of the Operator regarding the placement of sulphur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court the city of Astana annulled this decision. On June 26, 2025, the Supreme Court of the Republic of Kazakhstan issued a ruling to overturn the decision of February 27, 2024 and referred the case for a new trial to the appellate court with a different panel of judges. On July 10, 2025, the case was accepted for consideration by the Judicial Panel for Administrative Cases of the Court of the city of Astana. On August 1, 2025, the appellate court announced a decision in favor of the Operator and annulled the inspection results in full, including the excessive placement of sulfur.

On August 18, 19 and 22, 2025, the state inspector of the Department Ecology of the Atyrau Region issued seven decisions against the Operator. The Operator appealed all the decisions to KERK. On October 24, 2025, KERK, based on the Operator's petition, suspended its consideration of the complaints due to the fact that on October 10, 2025, the Operator received from the Department Ecology of the Atyrau Region a new order to eliminate the violations. On October 17, 2025, the Operator appealed this order to the SIDAC. On January 8, 2026, the SIDAC ruled that the order of October 10, 2025, was valid. The Operator has the right to appeal this decision.

As of December 31, 2025, KMG Kashagan B.V. has not recognized any provisions related to this inspection. The management of KMG Kashagan B.V. assesses the risk of fines for environmental inspections within the framework of the applicable legislation of the Republic of Kazakhstan as unlikely.

**Cost recovery audits**

KMG Kashagan B.V. has a share of 16.88% in the North Caspian Production Sharing Agreement dated November 18, 1997, as amended (further PSA).

KMG Karachaganak LLP, subsidiary of the Company, has a share of 10% in the Final Production Sharing Agreement in respect of the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, as amended (further FPSA).

Under the base principles of the PSA and FPSA, the RK transferred to the participants of these agreements (further Contractors) the exclusive rights to conduct activities in the subsurface areas, but did not transfer neither ownership rights, nor lease rights to these areas. Thus, all extracted and processed oil (i.e. the hydrocarbons produced) are the property of the RK.

Subsoil use operations are carried out on the basis of reimbursement of certain expenditures and the RK reimburses such expenditures to Contractors not in cash but in the form of the portion of oil production, thereby allowing Contractors to recover their expenditures (further Recoverable Costs) and earn profit.

PSA and FPSA provides for a procedure of expense reimbursement and determine the list of expenses that are not Recoverable Costs.

PSA LLP, subsidiary of Samruk-Kazyna, conducts audits of Recoverable Costs as an organization authorized to act on behalf of the RK within the framework of the PSA and FPSA (further the Authorized Body).

In relation to the respective arbitration disputes between the Contractors and the RK, the KMG Kashagan B.V. and KMG Karachaganak LLP are completely excluded from the negotiation process due to a conflict of interest in accordance with the terms of the project documents. As of December 31, 2025, based on the information available, the KMG Kashagan B.V. and KMG Karachaganak LLP have no obligations related to these arbitration proceedings.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Kazakhstan local market obligation**

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue (not less than cost of production) than crude oil sold on the export market, which may materially and adversely affect the Group’s business, prospects, consolidated financial position and performance.

In 2025, in accordance with its obligations, the Group delivered to the Kazakhstan market 8,303 thousand tons of crude oil, including its share in the joint ventures and associates in the total volume of 2,849 thousand tons (2024: 8,146 thousand tons, including its share in the joint ventures and associates of 2,880 thousand tons).

**Commitments under subsoil use contracts**

As at December 31, 2025, the Group had the following commitment (net of VAT) related to minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2026                        | 391,958                                                              | 24,871                                                       | 80,344                                                               | 55,848                                                       |
| 2027                        | 285,043                                                              | 13,464                                                       | 47,524                                                               | 14,093                                                       |
| 2028                        | 238,402                                                              | 12,149                                                       | 21,253                                                               | 14,877                                                       |
| 2029                        | 92,111                                                               | 10,075                                                       | 21,827                                                               | 15,555                                                       |
| 2030-2049                   | 119,138                                                              | 11,495                                                       | 43,628                                                               | 16,419                                                       |
| <b>Total</b>                | <b>1,126,652</b>                                                     | <b>72,054</b>                                                | <b>214,576</b>                                                       | <b>116,792</b>                                               |

As at December 31, 2024 commitments (net of VAT) under subsoil use contracts included:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2025                        | 360,885                                                              | 33,962                                                       | 83,986                                                               | 57,911                                                       |
| 2026                        | 229,843                                                              | 14,581                                                       | 52,601                                                               | 12,821                                                       |
| 2027                        | 144,476                                                              | 10,771                                                       | 19,501                                                               | 13,309                                                       |
| 2028                        | 152,571                                                              | 10,794                                                       | 19,958                                                               | 13,946                                                       |
| 2029-2049                   | 175,134                                                              | 9,334                                                        | 42,089                                                               | 14,544                                                       |
| <b>Total</b>                | <b>1,062,909</b>                                                     | <b>79,442</b>                                                | <b>218,135</b>                                                       | <b>112,531</b>                                               |

**Oil supply commitments**

As of December 31, 2025, KMG Kashagan B.V. had commitments under the oil supply agreements in the total amount of 0.7 million tons (December 31, 2024: 2.4 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Other contractual commitments**

As at December 31, 2025, the Group, had other capital commitments related to acquisition and construction of long-term assets of approximately 201,349 million tenge, net of VAT, including its share in joint ventures commitments of 5,089 million tenge (as at December 31, 2024: 136,221 million tenge, net of VAT, including its share in joint ventures commitments of 17,862 million tenge).

As at December 31, 2025, the Group had commitments in the total amount of 41,084 million tenge (as at December 31, 2024: 58,483 million tenge) under the investment programs approved by the joint order of Ministry of Energy of RK and Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of RK to facilitate production units.

**Non-financial guarantees**

As of December 31, 2025 and 2024, the Group has outstanding performance guarantees issued in favour of third parties whereas it provides guarantee should its joint venture or associate fail to perform their obligations under the natural gas purchase-sale, transportation and other agreements.

As of December 31, 2025 and 2024, the management of the Group believes that there were no expected cases of non-performance from the guaranteed parties and, accordingly, no obligations related to the above stated non-financial contingencies were recognized.

**35. SEGMENT REPORTING**

The Group's operating segments have their own structure and management according to the type of the produced goods and services provided. Moreover, all segments are strategic directions of the business which offer different types of the goods and services in different markets. The functions have been defined as the operating segments of the Group because they are segments a) that engages in business activities from which revenues are generated and expenses incurred; b) whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions.

The Group's activity consists of three main operating segments: exploration and production of oil and gas, oil transportation, and refining and trading of crude oil and refined products. The Group presents the Company's activities separately in Corporate segment, since the Company performs not only the functions of the parent company, but also carries out operational activities. The remaining operating segments have been aggregated and presented as other operating segment due to their insignificance.

Disaggregation of revenue by types of goods and services is presented in *Note 6* to the consolidated financial statements.

Disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

|                                  | 2025                                      |                    |                                                        |                  |                |                  |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|------------------|----------------|------------------|
|                                  | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate        | Other          | Total            |
| <i>In millions of tenge</i>      |                                           |                    |                                                        |                  |                |                  |
| Sales of crude oil and gas       | 756,848                                   | –                  | 3,998,538                                              | –                | –              | 4,755,386        |
| Sales of refined products        | 5,756                                     | –                  | 2,405,304                                              | 1,159,001        | 17,437         | 3,587,498        |
| Refining of oil and oil products | –                                         | –                  | 247,740                                                | –                | –              | 247,740          |
| Oil transportation services      | 36                                        | 255,268            | 2,179                                                  | –                | 426            | 257,909          |
| Other revenue                    | 48,676                                    | 65,542             | 177,496                                                | 2,000            | 229,241        | 522,955          |
| <b>Total</b>                     | <b>811,316</b>                            | <b>320,810</b>     | <b>6,831,257</b>                                       | <b>1,161,001</b> | <b>247,104</b> | <b>9,371,488</b> |

|                                  | 2024                                      |                    |                                                        |                |                |                  |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
|                                  | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          | Total            |
| <i>In millions of tenge</i>      |                                           |                    |                                                        |                |                |                  |
| Sales of crude oil and gas       | 767,376                                   | –                  | 3,927,847                                              | –              | –              | 4,695,223        |
| Sales of refined products        | 4,999                                     | –                  | 1,805,243                                              | 871,374        | 16,196         | 2,697,812        |
| Refining of oil and oil products | –                                         | –                  | 258,530                                                | –              | –              | 258,530          |
| Oil transportation services      | –                                         | 237,475            | 1,595                                                  | 1,466          | 192            | 240,728          |
| Other revenue                    | 26,573                                    | 55,342             | 164,607                                                | 1,845          | 189,601        | 437,968          |
| <b>Total</b>                     | <b>798,948</b>                            | <b>292,817</b>     | <b>6,157,822</b>                                       | <b>874,685</b> | <b>205,989</b> | <b>8,330,261</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. SEGMENT REPORTING (continued)**

Segment performance is evaluated based on revenues, net profit and adjusted EBITDA, which are measure on the same basis as in the consolidated financial statements.

EBITDA is a supplemental non-IFRS financial measure used by management to evaluate segments performance, and is defined as earnings before depreciation, depletion and amortization, impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and assets classified as held for sale, exploration expenses, impairments of joint ventures and associates, finance income and expense, income tax expenses.

EBITDA, % is calculated as EBITDA of each reporting segment divided by the total EBITDA.

Eliminations and adjustments represent the exclusion of intra-group turnovers. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily comply with market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

**Geographic information**

The Group’s property, plant and equipment (*Note 15*) are located in the following countries:

| <i>In millions of tenge</i> | <b>2025</b>      | <b>2024</b> |
|-----------------------------|------------------|-------------|
| Kazakhstan                  | <b>6,931,049</b> | 7,155,527   |
| Other countries             | <b>659,580</b>   | 678,633     |
|                             | <b>7,590,629</b> | 7,834,160   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2025 and assets and liabilities as at December 31, 2025 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                                 | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and trading<br>of crude oil and<br>refined products | Corporate        | Other            | Eliminations and<br>adjustments | Total             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------|------------------|------------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                                   | 811,316                                         | 320,810               | 6,831,257                                                    | 1,161,001        | 247,104          | –                               | 9,371,488         |
| Revenues from sales to other segments                                                                                                                                                                                       | 1,671,188                                       | 155,602               | 212,658                                                      | 91,347           | 166,585          | (2,297,380)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                                        | <b>2,482,504</b>                                | <b>476,412</b>        | <b>7,043,915</b>                                             | <b>1,252,348</b> | <b>413,689</b>   | <b>(2,297,380)</b>              | <b>9,371,488</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                          | (51,416)                                        | (22,416)              | (5,928,751)                                                  | (752,017)        | (46,753)         | 1,761,836                       | (5,039,517)       |
| Production expenses                                                                                                                                                                                                         | (682,586)                                       | (263,292)             | (487,363)                                                    | (241,737)        | (339,354)        | 425,725                         | (1,588,607)       |
| Taxes other than income tax                                                                                                                                                                                                 | (339,154)                                       | (23,224)              | (40,478)                                                     | (176,301)        | (13,771)         | –                               | (592,928)         |
| Transportation and selling expenses                                                                                                                                                                                         | (239,318)                                       | (5,231)               | (141,937)                                                    | (16,966)         | –                | 84,364                          | (319,088)         |
| General and administrative expenses                                                                                                                                                                                         | (51,112)                                        | (19,463)              | (57,657)                                                     | (78,011)         | (32,662)         | 20,281                          | (218,624)         |
| Share in profit of joint ventures and associates, net                                                                                                                                                                       | 477,629                                         | 203,695               | 92,885                                                       | –                | 6,426            | –                               | 780,635           |
| <b>EBITDA</b>                                                                                                                                                                                                               | <b>1,596,547</b>                                | <b>346,481</b>        | <b>480,614</b>                                               | <b>(12,684)</b>  | <b>(12,425)</b>  | <b>(5,174)</b>                  | <b>2,393,359</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                            | <b>67%</b>                                      | <b>15%</b>            | <b>20%</b>                                                   | <b>(1%)</b>      | <b>(1%)</b>      | <b>–</b>                        | <b>–</b>          |
| Depreciation, depletion and amortization                                                                                                                                                                                    | (515,584)                                       | (48,246)              | (143,789)                                                    | (2,886)          | (13,472)         | –                               | (723,977)         |
| Interest revenue calculated using the effective interest method                                                                                                                                                             | 31,626                                          | 15,891                | 14,862                                                       | 224,426          | 32,098           | (120,944)                       | 197,959           |
| Other finance income                                                                                                                                                                                                        | 2,249                                           | 215                   | 214                                                          | 41,513           | 1,008            | (2,194)                         | 43,005            |
| Finance costs                                                                                                                                                                                                               | (54,465)                                        | (21,362)              | (96,868)                                                     | (278,766)        | (9,721)          | 93,127                          | (368,055)         |
| (Impairment)/reversal of impairment of property, plant and equipment,<br>intangible assets, non-current advances for fixed assets and<br>exploration expenses                                                               | (26,026)                                        | 8,603                 | 2,027                                                        | (19,084)         | (1,282)          | –                               | (35,762)          |
| Gain from disposal of subsidiary                                                                                                                                                                                            | –                                               | –                     | –                                                            | 3,000            | –                | –                               | 3,000             |
| Foreign exchange (loss)/gain, net                                                                                                                                                                                           | (6,356)                                         | (1,459)               | (18,162)                                                     | (58,687)         | 652              | –                               | (84,012)          |
| Excepted credit losses                                                                                                                                                                                                      | 17,003                                          | 376                   | 857                                                          | (22,257)         | (849)            | 11,614                          | 6,744             |
| Other operating (expenses)/income, net                                                                                                                                                                                      | (4,599)                                         | 15,833                | 2,181                                                        | 101,359          | (5,688)          | (109,590)                       | (504)             |
| Income tax expenses                                                                                                                                                                                                         | (139,482)                                       | (26,451)              | (43,515)                                                     | (143,090)        | (7,165)          | –                               | (359,703)         |
| <b>Profit/(loss) for the year from continuing operations</b>                                                                                                                                                                | <b>900,913</b>                                  | <b>289,881</b>        | <b>198,421</b>                                               | <b>(167,156)</b> | <b>(16,844)</b>  | <b>(133,161)</b>                | <b>1,072,054</b>  |
| <b>Other segment information</b>                                                                                                                                                                                            |                                                 |                       |                                                              |                  |                  |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                                | 3,955,624                                       | 594,449               | 179,287                                                      | –                | 204,602          | –                               | 4,933,962         |
| Capital expenditures                                                                                                                                                                                                        | 375,558                                         | 67,226                | 131,943                                                      | 5,302            | 102,398          | –                               | 682,427           |
| Allowances for obsolete inventories, expected credit losses on trade<br>receivables, loans and receivables from related parties, other<br>current financial assets and impairment of other current non-<br>financial assets | (11,565)                                        | (7,211)               | (48,592)                                                     | (40,574)         | (10,723)         | –                               | (118,665)         |
| <b>Assets of the segment</b>                                                                                                                                                                                                | <b>10,441,069</b>                               | <b>1,613,687</b>      | <b>2,822,744</b>                                             | <b>2,702,935</b> | <b>1,583,657</b> | <b>(315,647)</b>                | <b>18,848,445</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                           | <b>1,771,492</b>                                | <b>347,593</b>        | <b>1,699,184</b>                                             | <b>3,482,030</b> | <b>214,672</b>   | <b>(1,052,851)</b>              | <b>6,462,120</b>  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2024 and assets and liabilities as at December 31, 2024 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                                 | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and trading<br>of crude oil and<br>refined products | Corporate        | Other          | Eliminations and<br>adjustments | Total             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------|------------------|----------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                                   | 798,948                                         | 292,817               | 6,157,822                                                    | 874,685          | 205,989        | –                               | 8,330,261         |
| Revenues from sales to other segments                                                                                                                                                                                       | 1,687,114                                       | 156,087               | 197,018                                                      | 104,826          | 186,154        | (2,331,199)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                                        | <b>2,486,062</b>                                | <b>448,904</b>        | <b>6,354,840</b>                                             | <b>979,511</b>   | <b>392,143</b> | <b>(2,331,199)</b>              | <b>8,330,261</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                          | (53,766)                                        | (20,815)              | (5,447,383)                                                  | (553,840)        | (63,400)       | 1,792,193                       | (4,347,011)       |
| Production expenses                                                                                                                                                                                                         | (639,251)                                       | (254,754)             | (387,897)                                                    | (236,265)        | (299,386)      | 418,949                         | (1,398,604)       |
| Taxes other than income tax                                                                                                                                                                                                 | (397,851)                                       | (21,315)              | (33,173)                                                     | (128,808)        | (11,837)       | –                               | (592,984)         |
| Transportation and selling expenses                                                                                                                                                                                         | (210,806)                                       | (19,094)              | (108,751)                                                    | (13,041)         | –              | 83,868                          | (267,824)         |
| General and administrative expenses                                                                                                                                                                                         | (52,639)                                        | (17,651)              | (61,045)                                                     | (113,171)        | (27,673)       | 18,031                          | (254,148)         |
| Share in profit of joint ventures and associates, net                                                                                                                                                                       | 359,311                                         | 104,204               | 55,150                                                       | –                | 12,565         | –                               | 531,230           |
| <b>EBITDA</b>                                                                                                                                                                                                               | <b>1,491,060</b>                                | <b>219,479</b>        | <b>371,741</b>                                               | <b>(65,614)</b>  | <b>2,412</b>   | <b>(18,158)</b>                 | <b>2,000,920</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                            | <b>74%</b>                                      | <b>11%</b>            | <b>19%</b>                                                   | <b>(3%)</b>      | <b>–</b>       | <b>(1%)</b>                     |                   |
| Depreciation, depletion and amortization                                                                                                                                                                                    | (453,254)                                       | (44,489)              | (130,315)                                                    | (3,346)          | (11,262)       | –                               | (642,666)         |
| Interest revenue calculated using the effective interest method                                                                                                                                                             | 27,165                                          | 11,553                | 40,522                                                       | 208,689          | 14,247         | (117,784)                       | 184,392           |
| Other finance income                                                                                                                                                                                                        | 2,451                                           | 1,088                 | 225                                                          | 113,374          | 6,152          | –                               | 123,290           |
| Finance costs                                                                                                                                                                                                               | (45,579)                                        | (19,788)              | (109,221)                                                    | (237,334)        | (12,421)       | 78,247                          | (346,096)         |
| (Impairment)/reversal of impairment of property, plant and equipment,<br>intangible assets, non-current advances for fixed assets and<br>exploration expenses                                                               | (57,100)                                        | (2,475)               | (4,064)                                                      | (40,678)         | 11,609         | 22,975                          | (69,733)          |
| Gain from disposal of subsidiary                                                                                                                                                                                            | –                                               | –                     | –                                                            | 16,410           | –              | –                               | 16,410            |
| Foreign exchange gain/(loss), net                                                                                                                                                                                           | 20,602                                          | 1,799                 | 2,922                                                        | 160,363          | 651            | (878)                           | 185,459           |
| Excepted credit losses                                                                                                                                                                                                      | (16,787)                                        | (782)                 | 3,210                                                        | (458)            | (260)          | 6,761                           | (8,316)           |
| Other operating income/(expenses), net                                                                                                                                                                                      | 48,914                                          | 3,271                 | 567                                                          | 20,475           | (4,411)        | (55,142)                        | 13,674            |
| Income tax expenses                                                                                                                                                                                                         | (220,400)                                       | (9,426)               | (38,129)                                                     | (90,576)         | (4,556)        | –                               | (363,087)         |
| <b>Profit/(loss) for the year from continuing operations</b>                                                                                                                                                                | <b>797,072</b>                                  | <b>160,230</b>        | <b>137,458</b>                                               | <b>81,305</b>    | <b>2,161</b>   | <b>(83,979)</b>                 | <b>1,094,247</b>  |
| <b>Other segment information</b>                                                                                                                                                                                            |                                                 |                       |                                                              |                  |                |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                                | 4,503,070                                       | 582,045               | 134,681                                                      | –                | 158,717        | –                               | 5,378,513         |
| Capital expenditures                                                                                                                                                                                                        | 433,140                                         | 63,777                | 154,161                                                      | 32,512           | 32,651         | –                               | 716,241           |
| Allowances for obsolete inventories, expected credit losses on trade<br>receivables, loans and receivables from related parties, other<br>current financial assets and impairment of other current non-<br>financial assets | (30,523)                                        | (7,554)               | (54,589)                                                     | (31,966)         | (10,170)       | –                               | (134,802)         |
| <b>Assets of the segment</b>                                                                                                                                                                                                | <b>11,643,803</b>                               | <b>1,550,949</b>      | <b>3,238,703</b>                                             | <b>2,254,912</b> | <b>601,821</b> | <b>(355,541)</b>                | <b>18,934,647</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                           | <b>1,967,848</b>                                | <b>362,981</b>        | <b>1,814,519</b>                                             | <b>5,747,682</b> | <b>220,781</b> | <b>(3,103,448)</b>              | <b>7,010,363</b>  |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**36. SUBSEQUENT EVENTS**

On January 18, 2026, TCO temporarily suspended production at the Tengiz and Korolevskoye fields due to a malfunction affecting some of the power supply systems at the production sites. Subsequently, TCO confirmed the safe restoration of the power supply system and the gradual resumption of oil production. As conditions stabilize, TCO is increasing production volumes.

**APPENDIX C**  
**Offering Memorandum dated 20 October 2025**

## IMPORTANT NOTICE

**IMPORTANT: You must read the following before continuing.** The following applies to the Offering Memorandum following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, OR WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the securities, investors must be persons that are not U.S. persons (within the meaning of Regulation S under the Securities Act) outside the United States. The Offering Memorandum is being sent at your request and, by accepting the e-mail and accessing the Offering Memorandum, you shall be deemed to have represented to us that (1) you are not a U.S. person and that the electronic mail address that you gave us and to which the Offering Memorandum has been delivered is (or, if you are acting for the account of another person, that such person is) not located in the United States and (2) you consent (and, if you are acting for the account of another person, such person consents) to delivery of the Offering Memorandum by electronic transmission.

You are reminded that the Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Memorandum to any other person.

### IMPORTANT – AIFC RETAIL INVESTORS

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the Astana International Financial Centre (“**AIFC**”). For these purposes, a retail investor has the meaning defined in AIFC Market Rules (“**MAR**”) 1.1.2(6)(b).

### IMPORTANT – EEA RETAIL INVESTORS

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), as amended or superseded, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### IMPORTANT – UK RETAIL INVESTORS

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

**NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – Unless otherwise stated in the pricing supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Dealers (as defined in the Offering Memorandum) nor any person who controls them nor any director, officer, employee nor agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from any such Dealer.

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Joint Stock Company "National Company" "KazMunayGas"  
(a joint stock company incorporated in the Republic of Kazakhstan)

**CNY10,000,000,000**  
**Medium Term Note Programme**

Joint Stock Company "National Company" "KazMunayGas" (the "Issuer" or "KMG") has established a CNY10,000,000,000 Medium Term Note Programme (the "Programme"), pursuant to which the Issuer, may from time-to-time issue notes ("Notes") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below). The Notes will be constituted by and have the benefit of a trust deed dated 20 October 2025 (as may be supplemented, amended or restated from time-to-time, the "Trust Deed"), amongst the Issuer and Bank of China (Hong Kong) Limited (the "Trustee", which term shall include any successor trustee under the Trust Deed).

**Factors that may affect the ability of the Issuer to fulfil its obligations under the Programme and factors that are material for the purposes of assessing the risks associated with Notes issued under the Programme are set out under "Risk Factors" beginning on page 1.**

Notes may only be issued in registered form. The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed CNY10,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement described herein), subject to increase as described herein.

Application has been made to The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") for the listing of the Programme by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("Professional Investors") only during the 12-month period after the date of this Offering Memorandum on the Hong Kong Stock Exchange. This Offering Memorandum is for distribution to Professional Investors only.

**Notice to Hong Kong investors: The Issuer confirms that the Notes to be issued under the Programme are intended for purchase by Professional Investors only and the Programme and the Notes (to the extent such Notes are to be listed on the Hong Kong Stock Exchange) will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.**

**The Hong Kong Stock Exchange has not reviewed the contents of this Offering Memorandum, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Memorandum to Professional Investors only have been reproduced in this Offering Memorandum. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Group (as defined below) or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Memorandum, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Memorandum.**

This Offering Memorandum includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Memorandum and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

In addition, unless otherwise agreed with the relevant Dealer(s) (as defined below) and provided for in the relevant Pricing Supplement, the Issuer will use its reasonable endeavours to cause all Notes issued under the Programme to be admitted to the Official List of the Astana International Exchange Ltd (the "AIX") from (and including) the date of the issue of the Notes. The Issuer gives no assurance that any such listing will be obtained.

For the purposes of AIX, this Offering Memorandum constitutes the offer document for the Notes described herein and has been prepared by the Issuer pursuant to Rule PR 3 of the AIX Business rules. Accordingly, this Offering Memorandum has not been approved as prospectus by the AIX nor approved by any other competent authority under the AIFC Law (as defined in the Constitutional Law of Kazakhstan "On Astana International Financial Centre" No. 438-V dated 7 December 2015).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other stock exchanges or markets as may be agreed between the Issuer and the relevant Dealers. The Issuer may also issue unlisted Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of these and certain further restrictions on offers and sales of the Notes and the distribution of this Offering Memorandum, see "Subscription and Sale" below.

The minimum denomination of any Notes issued under the Programme shall be CNY1,000,000 (in the case of Notes denominated in Renminbi) or €100,000 (in the case of Notes denominated currencies other than Renminbi) or its equivalent in other currencies. Subject thereto and in compliance with all applicable legal, regulatory or central bank requirements, Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement.

The Notes will initially be represented by a global note in registered form (“**Global Note**”). Global Notes will be registered in the name of, or in the name of a nominee for, one or more clearing systems. Global Notes may be deposited with a sub-custodian for the Hong Kong Monetary Authority (the “**HKMA**”), as operator of the Central Moneymarkets Unit Service, operated by the HKMA (the “**CMU**”). Notes may also be deposited on the issue date with a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in “*Overview of the Provisions Relating to the Notes in Global Form*”.

The Issuer has been rated Baa1 by Moody’s Investors Service, Inc. (“**Moody’s**”), BBB- by S&P Global Ratings (“**S&P**”) and BBB by Fitch Ratings Ltd. (“**Fitch**”). Notes issued under the Programme may be rated or unrated. Where an issue of a certain series of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme, and (where applicable) such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes.

*Joint Arrangers and Dealers*

**BOC International**

**Bank of China (Hong Kong)**

**China CITIC Bank International**

**China International Capital Corporation**

**Citigroup**

The date of this Offering Memorandum is 20 October 2025

## IMPORTANT NOTICES

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview—Overview of the Programme*” and any additional Dealer or Dealers appointed under the Programme from time-to-time by the Issuer (each, a “**Dealer**” and, together, the “**Dealers**”), which appointment may be for a specific issue of Notes or an ongoing basis. In the context of a discussion of an issue of a particular Tranche of Notes, reference in this Offering Memorandum to “**relevant Dealer**” or “**relevant Dealers**” shall be to the Dealer or Dealers agreeing to subscribe for the particular Tranche of Notes.

**The AIX and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this Offering Memorandum, including the accuracy or completeness of any information or statements included in it. Liability for the Offering Memorandum lies with the Issuer and other persons whose opinions are included in this Offering Memorandum with their consent. Nor has the AIX, its directors, officers or employees assessed the suitability of the Notes to which this Offering Memorandum relates for any particular investor or type of investor. If you do not understand the contents of this Offering Memorandum or are unsure whether the Notes are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.**

The language of this Offering Memorandum and the Pricing Supplement in respect of any Tranche of Notes is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

For the purpose of the listing of the Notes on the AIX and any subsequent offer and sale of Notes in Kazakhstan, SkyBridge Invest JSC will act as manager, and the other Dealers will not be involved in such process.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Memorandum or any other document entered into in relation to the Programme, or any information supplied by the Issuer, or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Trustee or any Dealer or the Registrar, any Paying Agent, any Transfer Agent or the Calculation Agent (collectively, the “**Agents**”).

Neither this Offering Memorandum nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Group, the Dealers, the Agents or the Trustee that any recipient of this Offering Memorandum, or any other information supplied relating to the Programme or any Notes, should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Group. Neither this Offering Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers, the Agents, the Trustee or any other person to any person to subscribe for or to purchase any Notes in any jurisdiction where such offer or invitation is prohibited.

No representation or warranty is made or implied by the Dealers, the Trustee, the Agents or any of their respective affiliates, and none of the Dealers, the Agents, the Trustee nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Offering Memorandum. Neither the delivery of this Offering Memorandum or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Offering Memorandum is true subsequent to the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Group since the date thereof or, if later, the date upon which this Offering Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Furthermore, none of the Group, the Dealers, the Agents or the Trustee makes any representation about the treatment for taxation purposes of payments or receipts in respect of any Notes received by any Noteholder. Each investor contemplating acquiring Notes under the Programme must seek such tax or other professional advice as it considers necessary for the purpose.

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of Notes, the merits and risks of investing in Notes and the information contained or incorporated by reference in this Offering Memorandum and any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in Notes and the impact Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's home currency;
- understand thoroughly the terms of Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to applicable legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk based capital or similar rules.

The distribution of this Offering Memorandum, any supplement and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Memorandum, any supplement or any Pricing Supplements comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Offering Memorandum, any supplement or any Pricing Supplements and other offering material relating to the Notes, see “*Subscription and Sale*” and “*Transfer Restrictions*”.

#### **Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to Prospective Investors**

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme (each such offering, a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (together, the “**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “**OCs**”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.



Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

This Offering Memorandum does not constitute a prospectus for the purposes of a listing or an admission to trading on any market in the European Economic Area (the “**EEA**”) which has been designated as a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended, “**MiFID II**”), and has not been approved by the competent authority in any member state of the EEA pursuant to Regulation (EU) 2017/1129. This Offering Memorandum does not constitute a prospectus for the purposes of a listing or an admission to trading on any market in the UK which has been designated as a regulated market for the purposes of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK MiFIR**”) and has not been approved by the Financial Conduct Authority (“**FCA**”) pursuant to the Official Listing of Securities, Offering Circular and Transparency (Amendment etc.) (EU Exit) Regulations 2019.

The communication of this Offering Memorandum, any Pricing Supplement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and this Offering Memorandum, any Pricing Supplement and such other documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the FSMA. Accordingly, this Offering Memorandum, any Pricing Supplement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. This Offering Memorandum, any Pricing Supplement and any other document or materials relating to the issue of the Notes offered hereby is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom (“**UK**”), or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not

relevant persons. Any investment or investment activity to which this this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

**IMPORTANT – AIFC RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the Astana International Financial Centre (“AIFC”). For these purposes, a retail investor has the meaning defined in AIFC Market Rules (“MAR”) 1.1.2(6)(b).

**IMPORTANT — EEA RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT — UK RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration such target market; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**UK MiFIR product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 (2020 REVISED EDITION) OF SINGAPORE** — The Pricing Supplement in respect of any Notes may include a legend entitled “Singapore Securities and Futures Act Product Classification” which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act 2001 (2020 revised edition) of Singapore (the “SFA”). The Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Pricing Supplement will constitute notice to “relevant persons” for purposes of section 309B(1)(c) of the SFA.

**STABILISATION** — In connection with the issue and distribution of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) in the applicable Pricing Supplement (the “**Stabilising Managers**”) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes during the stabilisation period at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the date the Issuer received the proceeds of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilising Managers (or persons acting on their behalf). Any loss of profit sustained as a consequence of any over-allotment or stabilising shall, as against the Issuer, be for the account of the Stabilising Manager(s).

**THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE “SEC”), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE NOTES THE ACCURACY OR THE ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

## PRESENTATION OF FINANCIAL, RESERVES AND CERTAIN OTHER INFORMATION

### Financial Information

The previous independent auditors of the Issuer, Ernst & Young LLP ("EY") issued (i) an independent auditor's report dated 5 March 2025 relating to the Issuer's consolidated financial statements as at, and for the year ended, 31 December 2024, and (ii) an independent auditor's report dated 12 March 2024 relating to the Issuer's consolidated financial statements as at, and for the year ended, 31 December 2023 which include comparative data as at and for the year ended 31 December 2022 (the "**Financial Statements**"). The current independent auditors of the Issuer, PricewaterhouseCoopers LLP, issued a report on review of interim financial information dated 14 August 2025 relating to the Issuer's interim condensed consolidated financial statements as at and for the three and six months ended 30 June 2025 (the "**Interim Financial Statements**"). The Financial Statements have been prepared in accordance with IFRS accounting standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"), and the Interim Financial Statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, also as issued by the IASB.

EY's independent auditor's reports in respect of the Financial Statements appear on page F-48 and F-142 of this Offering Memorandum, and PricewaterhouseCoopers LLP's report on review in respect of the Interim Financial Statements appears on page F-4 of this Offering Memorandum. The financial information set forth herein relating to the Offering Memorandum, unless otherwise indicated, has been extracted without material adjustment from the Financial Statements and the Interim Financial Statements and the notes thereto contained in this Offering Memorandum beginning on page F-1.

The audited financial information set out in this Offering Memorandum with respect to the Issuer has, except where expressly stated otherwise, and subject to rounding, been derived from the Issuer's financial statements, which were prepared in accordance with IFRS as issued by the IASB.

The consolidated financial information of the Issuer set out in this Offering Memorandum as at and for the year ended 31 December 2022 has been derived from the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023.

The consolidated financial information of the Issuer set out in this Offering Memorandum as at and for the years ended 31 December 2023 and 2024 has been derived from the audited consolidated financial statements of the Group as at and for the year ended 31 December 2024.

The consolidated financial information of the Issuer set out in this Offering Memorandum as at and for the six months ended 30 June 2025 and 30 June 2024 has been derived from the unaudited interim condensed consolidated financial statements of the Group as at and for the six months ended 30 June 2025. The unaudited consolidated financial information of the Group for the twelve months ended 30 June 2025 has been prepared solely for the purpose of this Offering Memorandum, is not prepared in the ordinary course of the Group's financial reporting and has not been audited or reviewed by the Group's independent auditors. The unaudited consolidated financial information for the twelve-month period ended 30 June 2025 presented herein is not required by or presented in accordance with IFRS or any other generally accepted accounting principles. The unaudited consolidated financial information for the twelve-month period ended 30 June 2025 is not necessarily indicative of the results that may be expected for any future period and should not be used as the basis for, or prediction of, an annualized calculation.

Items included in the financial statements of each of the Issuer's subsidiaries and equity method investees are measured using the currency of the primary economic environment in which the entity operates. The Financial Statements and Interim Financial Statements contained elsewhere in this Offering Memorandum are presented in Kazakhstan Tenge ("**Tenge**").

Certain figures included in this Offering Memorandum have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them. For purposes of rounding adjustments made to percentages and percentage change calculations in respect of figures included in this Offering Memorandum taken from the Financial Statements and Interim Financial Statements, rounding adjustments are based on the figures included in the Financial Statements and Interim Financial Statements (which are presented in millions of Tenge) rather than the already rounded figures included in this Offering Memorandum.

## Presentation of Certain Information Relating to Subsidiaries, Joint Ventures and Associates

Subsidiaries are entities over which the Issuer directly or indirectly has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50 per cent. of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Issuer or one of its subsidiaries. Unless otherwise indicated, in this Offering Memorandum, information presented for the Issuer's direct and indirect subsidiaries relating to production and reserves and other similar information reflect the subsidiaries' total interest therein, irrespective of the Issuer's percentage ownership thereof.

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities requires the unanimous consent of the parties sharing control. Joint arrangements of the Issuer exist in two forms: joint ventures and joint operations. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

Under IFRS 11, which applies specifically to interests in joint ventures, joint ventures that meet the definition of a joint venture under IFRS 11 must be accounted for using the "equity method". The interests of the Issuer and its subsidiaries in joint ventures are accounted for in the Financial Statements and the Interim Financial Statements using the equity method of accounting. Under the equity method, the Issuer's consolidated statement of comprehensive income simply reflects the share of the Issuer and its subsidiaries' of the net profit or loss of the joint venture as a single line item.

Upon the acquisition of joint operations, the Issuer recognises in relation to its interest in such joint operations, including its share of any assets held jointly and assets and liabilities, its share of any liabilities incurred jointly. The Issuer also recognises its revenue from the sale of its share of the output arising from the joint operations; its share of the revenue from the sale of the output by the joint operations; and expenses arising from the joint operations, including its share of any expenses incurred jointly.

Associates are entities over which the Issuer directly or indirectly has significant influence, but not control, generally accompanying a shareholding of between 20 and 50 per cent. of the voting rights. Investments in associates are accounted for using the equity method of accounting. The Issuer's and its subsidiaries' interests in associates are limited to their share of the net profit or loss of such associates and are reflected as a single line item in the Issuer's consolidated statement of comprehensive income of the Financial Statements and the Interim Financial Statements.

Unless otherwise indicated, information presented in this Offering Memorandum with respect to production and reserves and other similar information of joint ventures of the Issuer or its subsidiaries reflects the Issuer's and/or the relevant subsidiaries' proportionate interests in the joint ventures. Similarly, information presented in this Offering Memorandum relating to production and reserves and other similar information of associates reflects the Issuer's and its subsidiaries' proportionate interest in the associates. In certain sections of this Offering Memorandum, the Issuer has provided information on production and reserves and other similar information of the Issuer and its subsidiaries and joint operations separately from the production and reserves and other similar information of joint ventures accounted for under the equity method in order to permit some correlation to the financial accounting for the respective entities.

In this Offering Memorandum, "**A+B+C1 reserves**" refers to reserves of crude oil and gas classified as category A, B and C1 under Kazakhstan methodology, "**Issuer's A+B+C1 reserves**" refers to the A+B+C1 reserves of crude oil and gas of the Issuer and its subsidiaries, and the Issuer's and the Issuer's subsidiaries' proportionate share in the A+B+C1 reserves of crude oil and gas of their respective joint ventures and associates, collectively, and "**Issuer's production**" refers to the crude oil and gas production of the Issuer and its subsidiaries and the Issuer's and the Issuer's subsidiaries' proportionate share in the crude oil and gas production of their respective joint ventures and associates, collectively.

See Note 3 (*Material Accounting Policy Information*) of the Financial Statements for additional information regarding how the Issuer accounts for its subsidiaries, joint ventures and associates.

## Certain Reserves Information

The Issuer calculates its reserves using both PRMS (as defined below) and Kazakhstan methodology. The reserves data contained in this Offering Memorandum are, unless otherwise stated, taken from reserves analyses prepared in accordance with Kazakhstan methodology by the Issuer's professional engineering staff.

- **Kazakhstan Methodology:** The Issuer calculates its reserves using Kazakhstan methodology, which is based on a system employed in the former Soviet Union, which differs significantly from the internationally accepted reserve estimation standards under PRMS, in particular with respect to the manner in which and the extent to which commercial factors are taken into account in calculating reserves. Whilst Kazakhstan methodology permits the inclusion of highly speculative reserve quantities attributable to highly speculative acreage, for the reserves figures calculated using Kazakhstan methodology included in this Offering Memorandum, the Issuer has elected to include only A+B+C1 reserves.
- **PRMS:** The Issuer also calculates its reserves in accordance with the internationally accepted reserve estimation standards under the Petroleum Resources Management System sponsored by the Society for Petroleum Engineers, the American Association of Petroleum Geologists, World Petroleum Council and the Society for Petroleum Evaluation Engineers (the "**PRMS**"). The Issuer first publicly reported reserves under PRMS in its annual report for the year ended 31 December 2019, and certain reserves information in accordance with PRMS is included in this Offering Memorandum (see "*Business—Reserves*").

Estimates derived according to Kazakhstan methodology may be substantially higher than those derived in accordance with PRMS. Kazakhstan methodology focuses on the actual physical presence of hydrocarbons in geological formations, and reserves are estimated based on the likelihood of such physical presence, whilst, by comparison, the PRMS classification system also focuses on the physical presence of hydrocarbons in geological formations, but also takes into consideration the economic efficiency of the extraction of these reserves (including factors such as exploration and drilling costs, operating costs, transportation costs, taxes, prevailing product prices and other factors affecting the economic viability of a given deposit).

Reserves are measured only on an annual basis and, accordingly, as at the date of this Offering Memorandum, no reserve information is available as at any date subsequent to 31 December 2024. For a detailed discussion of each reserve classification used in the methodology employed by the Issuer, see "*Risk Factors—Risks relating to the Issuer's Business—The reported quantities or classifications of the Issuer's crude oil and gas reserves depend on significant interpretations, assumptions and judgments*".

The depreciation, depletion and amortisation data in the Financial Statements are prepared in accordance with IFRS, based on reserves estimates in accordance with PRMS, and were taken from published audited financial statements of certain of the Issuer's and its subsidiaries' joint ventures.

## Hydrocarbon Data

References in this Offering Memorandum to "**tonnes**" are to metric tonnes. One metric tonne equals 1,000 kilograms.

For informational purposes only, certain estimates in this Offering Memorandum are presented as follows:

- oil and condensate in barrels and barrels per year. The Issuer's internal records are maintained in tonnes and converted into barrels using individual barrelisation coefficients specific to each asset, rather than a single uniform rate. Barrel per day figures have been obtained by dividing annual figures by the actual number of days in the respective year (365 or 366).

For internal record keeping purposes, the Issuer's information relating to production, transportation and sales of crude oil and gas condensate is recorded in tonnes, a unit of measure that reflects the mass of the relevant hydrocarbon. For convenience, such information is presented in this Offering Memorandum as both tonnes and in standard 42 U.S. gallon barrels ("**barrels**" or "**bbl**"), converted from tonnes as described above.

### **Third Party Information Regarding the Issuer's Market and Industry**

Statistical data and other information appearing in this Offering Memorandum relating to the oil and gas industry in the Republic of Kazakhstan (“**Kazakhstan**”) have, unless otherwise stated, been extracted from documents and other publications released by the Statistics Committee of Kazakhstan (the “**Statistics Committee**”), the Ministry of Finance of Kazakhstan, the Ministry of Energy (the “**Ministry of Energy**”), Joint Stock Company “Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan” under the Ministry of Energy, the National Bank of Kazakhstan (“**NBK**”) and other public sources in Kazakhstan, including the NBK’s Annual Report, the World Bank and International Monetary Fund, as well as from Kazakhstan press reports and publications, decrees and resolutions of the government of Kazakhstan (the “**Government**”) and estimates of the Issuer (based on its management’s knowledge and experience of the markets in which the Issuer operates). In the case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. Any discussion of matters relating to Kazakhstan in this Offering Memorandum is, therefore, subject to uncertainty due to concerns about the completeness or reliability of available official and public information. See “*Risk Factors—Risks relating to the region in which the Issuer operates—The Issuer cannot ensure the accuracy of official statistics and other data in this Offering Memorandum published by Government authorities*”.

The information described above has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this Offering Memorandum, the source of such information has been identified.

The Issuer’s estimates have been based on information obtained from the Issuer’s subsidiaries, joint ventures, associates, customers, suppliers, trade and business organisations and other contacts in the markets in which the Issuer operates. The Issuer believes these estimates to be accurate in all material respects as at the dates indicated. However, this information may prove to be inaccurate because of the method by which the Issuer obtained some of the data for these estimates or because this information cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties.

This Offering Memorandum contains illustrations and charts derived from the Issuer’s internal information, as well as the internal information of the Issuer’s subsidiaries, joint ventures and associates, which have not been independently verified unless specifically indicated.

### **Certain Definitions and Terminology**

Certain defined terms are used in this Offering Memorandum. See Appendix I for a glossary of frequently used defined terms. Additionally, see Appendix II for a glossary of measurement and technical terms used in this Offering Memorandum.

### **Alternative Performance Measures**

This Offering Memorandum contains certain non-IFRS alternative performance measures, which should not be used instead of, or considered as alternatives to, the Group’s financial results based on IFRS as set out in Financial Statements and Interim Financial Statements. The non-IFRS measures presented in this Offering Memorandum relate to the reporting periods stated and are not meant to be predictive of future results. The alternative performance measures as presented in this Offering Memorandum are not defined under, or presented in accordance with, IFRS. The Group uses them because it believes that these measures are commonly used by lenders, investors and analysts. The Group’s use of these terms, and its method of calculating these figures, may vary from other companies’ use and calculation of such terms. These measures are presented for purposes of providing investors with a better understanding of the Group’s financial performance, cash flows or financial position as they are used by the Group when managing its business. Alternative performance measures have been calculated based on data derived from the Financial Statements or Interim Financial Statements and unaudited accounting records and management accounts. None of this financial information were audited, reviewed nor otherwise reported on by independent auditors.

## FORWARD-LOOKING STATEMENTS

This Offering Memorandum, any supplement thereto and any Pricing Supplement may contain certain “forward-looking statements” which relate to, without limitation, the financial condition, results of operations and business of the Issuer and certain of the plans, intentions, expectations, assumptions, goals and beliefs of the Issuer regarding such items. These statements include all matters that are not historical fact and generally, but not always, may be identified by the use of words such as “believes,” “expects,” “are expected to,” “anticipates,” “intends,” “estimates,” “should,” “will,” “shall,” “may,” “is likely to,” “plans” or similar expressions, including variations and the negatives thereof or comparable terminology.

Prospective investors should be aware that forward looking statements are not guarantees of future performance and that the Issuer’s actual results of operations and financial condition and the development of the industry in which it operates may differ significantly from those made in or suggested by the forward-looking statements contained in this Offering Memorandum. In addition, even if the Issuer’s results of operations, financial condition and business and the development of the industry in which it operates are consistent with the forward-looking statements contained in this Offering Memorandum, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from the Issuer’s expectations are contained in cautionary statements in this Offering Memorandum and include, amongst other things, the following:

- price fluctuations in crude oil, gas and refined products markets and related fluctuations in demand for such products;
- overall international and domestic economic and business conditions, including commodity prices;
- the Issuer’s ability to develop, replace and grow its current oil and gas reserves;
- economic and political conditions in Kazakhstan and international markets, including governmental changes;
- delays and cost over-runs in development projects and operations;
- environmental risks and sustainability concerns;
- changes in government regulations, including regulatory changes affecting the availability of permits, and governmental actions that may affect the Issuer’s operations or planned expansion;
- asset disposals by the Issuer, including, *inter alia*, those in line with the Government’s privatisation plan;
- changes in the corporate organisation of the Issuer, its subsidiaries, joint ventures or associates;
- operational limitations, including equipment failures, labour disputes and processing limitations;
- the availability or cost of transportation routes and fees charged for arranging transportation;
- the Issuer’s ability to increase market share for its products and control expenses;
- fluctuations in the USD/KZT and other exchange rates;
- unplanned events or accidents affecting the Issuer’s operations or facilities;
- changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- the effects of instability and unrest in countries in the same region as Kazakhstan, including but not limited to the Russian Federation (“**Russia**”) and Ukraine;
- incidents or conditions affecting the export of crude oil and gas;



- reservoir performance, drilling results and the implementation of the Issuer's oil and gas expansion plans;
- an inability to implement any potential acquisition or an inability to acquire such interests on terms proposed by the Issuer; and
- the timing, impact and other uncertainties of future actions.

The section of this Offering Memorandum entitled "*Risk Factors*" contain a more complete discussion of the factors that could affect the Issuer's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward looking events described in this Offering Memorandum may not occur.

The Issuer does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on their behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Offering Memorandum.

## RESPONSIBILITY STATEMENT

The Issuer, having made all reasonable enquiries, confirms that, to the best of its knowledge and belief: (i) this Offering Memorandum contains all information with respect to the Issuer and its subsidiaries taken as a whole (the “**Group**”) and to the Notes which is material in the context of the issue and offering of the Notes (including all information which, according to the particular nature of the Issuer and of the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group and of the rights attaching to the Notes); (ii) the statements contained herein relating to the Issuer, the Group and the Notes are in every material respect true and accurate and not misleading; and (iii) there are no other facts in relation to the Issuer, the Group or the Notes, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Memorandum misleading in any material aspect. Where third party information has been used in this Offering Memorandum, the source of such information has been identified. Such information has been accurately reproduced and, as far as the Offering Memorandum is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of the Issuer, the information contained in this Offering Memorandum is in accordance with the facts and the Offering Memorandum makes no omission likely to affect the import of such information.

## ENFORCEMENT OF FOREIGN JUDGMENTS AND ARBITRAL AWARDS

The Issuer is a joint stock company organised under the laws of Kazakhstan, and most of its officers and directors and certain other persons referred to in this Offering Memorandum are residents of Kazakhstan. All or a substantial portion of the assets of the Issuer and such persons are located in Kazakhstan. As a result, it may not be possible to effect service of process upon the Issuer or any such person outside Kazakhstan, to enforce against any of them, in courts of jurisdictions other than Kazakhstan, judgments obtained in such courts that are predicated upon the laws of such other jurisdictions or to enforce against any of them, in Kazakhstan's courts, judgments obtained in jurisdictions other than Kazakhstan, including judgments obtained in the courts of England.

The Notes and the Trust Deed are governed by the laws of England, and the Issuer has agreed in the Notes and the Trust Deed that disputes arising thereunder are subject to arbitration in London, England or at the election of the Trustee or, in certain circumstances, a Noteholder to the jurisdiction of the English courts. See Condition 22 under *"Terms and Conditions of the Notes"*. Kazakhstan's courts will likely not enforce any judgment obtained in a court established in a country other than Kazakhstan unless (i) there is in effect a treaty between such country and Kazakhstan providing for reciprocal enforcement of judgments and then only in accordance with the terms of such treaty; or (ii) there is a proved reciprocity in enforcement of judgments of Kazakhstan courts in that country, which can be very hard or impossible to prove. There is no such treaty in effect between Kazakhstan and the United Kingdom. However, each of Kazakhstan and the United Kingdom are parties to the 1958 New York Convention on Recognition and Enforcement of Arbitral Awards and, accordingly, an arbitral award obtained in the United Kingdom should generally be recognised and enforceable in Kazakhstan provided the conditions to enforcement set out in that Convention and applicable Kazakhstan laws are met.

The Law No. 488-V dated 8 April 2016 "On Arbitration" (the **"Arbitration Law"**) was signed by the President of Kazakhstan on 8 April 2016. The introductory language to the Arbitration Law, as well as other provisions of the Arbitration Law, imply that the Arbitration Law should apply only where the matter involves dispute resolution in Kazakhstan (i.e., in respect of arbitration bodies with a seat in Kazakhstan). In particular, the preamble to the Arbitration Law states that: "This law regulates social relations arisen in the process of arbitration activity on the territory of the Republic of Kazakhstan as well as the procedure and terms of recognition and enforcement of arbitral awards in Kazakhstan..."

There are, however, certain provisions in the Arbitration Law, which may have implications (as described below) in respect of the arbitration provisions contained in the Notes and the Trust Deed. In particular, the provisions of the Arbitration Law do not clearly differentiate between domestic and foreign arbitration. In particular:

- Article 8.8 of the Arbitration Law restricts the trying of disputes involving quasi-sovereign companies by arbitration. The Issuer falls under the definition of a quasi-sovereign company. More specifically, Article 8.8 provides that a dispute between quasi-sovereign companies cannot be resolved by arbitration. While there is no established practice in relation to Article 8.8 of the Arbitration Law, the Issuer's management (**"Management"**) believes that this requirement only applies when two or more quasi-sovereign companies are involved in a dispute as adverse parties. Accordingly, Article 8.8 should not apply if two or more quasi-sovereign companies are not adverse parties to the dispute, which would be the case in respect of the Notes, the Agency Agreement and the Trust Deed.
- Article 8.10 of the Arbitration Law requires state-controlled companies to obtain consent from the competent authority of a relevant industry in order to enter into an arbitration agreement. While the Issuer falls within the definition of a state-controlled company, in November 2023, the Supreme Court of Kazakhstan clarified, in Resolution No. 3, that no competent authority's consent shall be required for an arbitration agreement between state-controlled companies and non-residents of the Republic of Kazakhstan. Accordingly, Management believes that Article 8.10 should not apply to arbitration agreements under the Notes, the Agency Agreement and the Trust Deed.

Given that there is not a well-developed practice in Kazakhstan on the application of the Arbitration Law, there can be no assurance that Kazakhstan courts would support the above interpretation of the Arbitration Law and that an award against the Issuer in arbitral proceedings in London under English law would be enforced in Kazakhstan. See *"Risk Factors—Risks Relating to the Notes— It may be difficult to effect service of legal process and enforce judgments obtained outside of Kazakhstan against the Issuer and its management."*

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## RISK FACTORS

*The Issuer believes the following factors may affect its ability to fulfil its obligations under Notes. In addition, factors which are material for the purpose of assessing the market risks associated with Notes are also described below. If any of the risks described below materialise, the Issuer's business, prospects, financial condition, cash flows or results of operations may be materially adversely affected and may impact the ability of the Issuer to pay amounts due under the Notes. If that were to happen, the trading price of the Notes may decline, the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes, and investors may lose all or part of their investment. Furthermore, Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on, or in connection with, any Notes, or otherwise perform its obligations under any Notes, may occur for other reasons that may not be considered significant risks by the Issuer based on information currently available to them or for reasons that they may not currently be able to anticipate or currently consider relevant. Prospective investors should also read the detailed information set out elsewhere in this Offering Memorandum and reach their own views prior to making any investment decision.*

### **Risks relating to the Issuer's industry**

***The Issuer's revenue and net profits fluctuate significantly with changes in crude oil prices and its cost of operations, which are historically volatile and are affected by a variety of factors beyond the Issuer's control.***

Crude oil sales are the Issuer's largest source of revenue, and the price of crude oil and the revenue realised by the Issuer from the sales of crude oil are affected by a variety of factors beyond the Issuer's control, including:

- global and regional supply and demand, and expectations regarding future supply and demand, for crude oil and petroleum products;
- the impact of economic conditions on the Issuer's customers, including any reductions in demand for crude oil and petroleum products;
- global and regional socioeconomic and political conditions and military developments, government policies and influence, particularly in countries in the same region as Kazakhstan (including, but not limited to, Russia) and in the Middle East and other oil-producing regions;
- weather conditions, natural disasters and public health threats and global pandemics;
- access to pipelines, especially export pipelines such as the CPC pipeline, railways and other means of transporting crude oil and petroleum products;
- prices and availability of alternative fuels;
- the ability of the members of the OPEC, of which Kazakhstan is not a member, and the so-called extended OPEC ("OPEC+"), over which Kazakhstan has limited influence, and other crude oil producing nations to set and maintain specified levels of production and prices;
- Kazakhstan and foreign governmental regulations and actions, including export restrictions, standards on content of oil and gas, and taxes, including carbon tax initiatives; and
- market uncertainty and speculative activities.

Historically, world crude oil prices have been highly volatile and are generally characterised by significant fluctuations that are determined by the global balance of supply and demand, which is entirely outside of the Issuer's control. Further, certain geopolitical activities including regional conflicts and tensions, like those in the Middle East and the recent Russia-Ukraine conflict, have and are affecting oil prices.

Fluctuations in the price at which the Issuer is able to sell crude oil would cause the Issuer's results of operations and cash flow to vary significantly. Historically, high oil prices have had a considerable positive impact on the

Issuer's business, while lower crude oil prices have reduced, and may continue to reduce, the amount of crude oil that the Issuer is able to produce economically, including, in particular, by negatively affecting the economic viability of the production levels of specific wells or of projects planned or in development where production costs would exceed anticipated income from such production. A decline in the price per barrel for crude oil currently received by the Issuer or any resulting curtailment in the Issuer's overall production volumes may result in a reduction in revenue and net profits, impair the Issuer's ability to make planned capital expenditures or to incur costs necessary for the development of the Issuer's fields and may materially adversely affect the Issuer's business, prospects, financial condition, cash flows or results of operations. In particular, if the price per barrel falls below certain budgeted amounts for a sustained period, the Issuer may need to revise its capital allocation and may not meet its production plans or continue with certain exploration projects.

In addition, the Issuer's operating results are also significantly affected by fluctuations in the cost of purchased oil, gas, petroleum products and other materials required for its operations. An increase in such costs, without a corresponding increase in the selling price of crude oil, could reduce margins, increase operating expenses, and adversely affect the Issuer's ability to maintain profitability or pursue new projects.

***The Issuer may be exposed to delays and cost over-runs in development projects and operations.***

Similar to other oil and gas companies, the Issuer's operations involve the development and operation of complex projects, which are subject to a number of risks. The Issuer's projects have in the past and may in the future face equipment failures, development curtailments, shutdowns, delays and cost over-runs. The polypropylene production project of LLP "KPI" faced delays due to contractor requests, COVID-19-related disruptions, and commissioning issues. The polypropylene production launched in November 2022, while initially it was planned to start production in November 2021. See "*Business—Principal investments—Petrochemicals*".

Other equipment failures, development curtailments, shutdowns, delays or cost over-runs that materially affect the operations of the Group or its joint venture partners could affect production or amounts of oil and gas the Issuer is able to transport or refine, and could require the Issuer to provide additional capital or affect the Issuer's ability to accurately budget, which could, in turn, have a material adverse effect on the Issuer's business, financial position and results of operations.

***Oil and gas is a capital-intensive industry, and the Issuer's business may require substantial ongoing capital expenditures.***

The oil and gas industry is capital intensive and requires capital expenditures related to maintenance, exploration and development, production, transportation, refining and trading and compliance with environmental laws and regulations. Although capital expenditures for the projects of the Issuer's joint ventures are financed at the level of the relevant joint venture, historically, the Issuer has had significant levels of capital spending and investment. The Issuer may also engage in further capital-intensive projects in future.

The Issuer is also seeking to attract foreign investment including through finding strategic partners to fund exploration and development of certain fields. In recent years, the Issuer has advanced and reached agreements on cooperation with Eni S.p.A. ("**Eni**"), CNOOC, Tatneft PJSC ("**Tatneft**") and other partners regarding the exploration and development of several oil fields. In addition, as part of its efforts to diversify, the Issuer continues to rapidly grow its petrochemical business, which may require further significant investments. See "*Business—Exploration and Production—Megaprojects—Operating Assets*" and "*Business—Petrochemicals*".

The Issuer currently expects that the majority of its capital expenditure commitments in the short-to-medium term will be in respect of projects aimed at maintaining the current level of production at existing fields. Although, in recent years, internally generated cash flows have generally been sufficient to maintain the Issuer's operations and fund its growth, there can be no assurance that the Issuer will continue to generate sufficient cash for these projects. The Issuer's ability to fund future operations and its planned and committed capital expenditures will depend upon the Issuer's future operating performance and, more broadly, on the availability of external financing and the Issuer's ability to access debt and equity markets. The availability of financing will be affected by the Issuer's credit rating and leverage, as well as prevailing economic conditions, market conditions in the oil and gas industry and financial, business and other factors, many of which beyond the Issuer's control. If the Issuer is unable to generate sufficient cash flows or to obtain necessary financing on acceptable terms or at all, it may be unable to continue growing its business or to sustain or improve its profits. Moreover, if the Issuer cannot generate sufficient cash flows or otherwise secure sufficient liquidity to support its capital requirements, the Issuer may not be able to meet its debt payment obligations, which could have a material adverse effect on the Issuer's results of operations or liquidity.

***Government policies and regulations on the oil and gas sector, including in respect to pricing and domestic supply requirements, may affect the Group's business.***

The Government requires all oil producers in Kazakhstan, including the Issuer, to supply some of their crude oil production to domestic refineries to meet domestic energy requirements, primarily in the agriculture sector. The Government determines the volume of crude oil that needs to be supplied to the domestic market on a monthly basis. As domestic consumption of oil and refined oil products rises, the Issuer may be compelled by the Government to sell a larger portion of its production in furtherance of socially-mandated policies. If the Government does increase the Group's domestic supply quota over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less upstream revenue than crude oil sold on the export market. Consequently, the Issuer's business, prospects, financial condition, cash flows or results of operations may be materially adversely affected.

The Government has on occasion imposed temporary bans on the export of gasoline and diesel to stabilise domestic fuel prices, with the most recent ban introduced in April 2025 and effective until 31 December 2025, extending earlier restrictions. There is no assurance that similar measures will not be imposed in the future.

When the Issuer supplies crude oil and gas and produces oil and gas products pursuant to socially-mandated policies or a request by the Government or is subject to an export ban, its sales of the relevant products usually generate substantially less revenue than sales of such products in the export market at international market prices and the Issuer's business, prospects, financial condition, cash flows or results of operations may be materially adversely affected.

***The Group faces competition from other suppliers of oil and gas.***

The sale of crude oil and gas internationally is very competitive. The Issuer's primary competitors for the sale of crude oil include international oil companies, many of which have substantial crude oil reserves and financial resources. The primary factors driving competition are global crude oil supply and demand and the quality of the crude oil produced, which impacts the relative value of the crude oil to be used in the production of diesel, gasoline and other refined products. Other factors that could affect competition in the crude oil marketplace include additional discoveries of crude oil reserves by the Issuer's competitors, new technologies that increase the viability of reserves or reduce production costs, political and economic factors and other factors outside of the Issuer's control. Increased competitive pressure could have a material adverse impact on prices at which the Issuer can sell crude oil and its regional and global market share and could also impact the Issuer's bargaining power when negotiating with counterparties. Further, many of the Group's products compete in commodity-type markets where product differentiation poses a significant challenge. Where competitiveness is principally driven by price, the importance of cost efficiency is critical to maintaining and growing the Issuer's market share. If the Issuer fails to adapt its strategy and improve its cost-control measures, it may be unable to compete effectively in certain markets.

In addition, the Issuer's refineries in its downstream segment are subject to competition in the geographies to which they sell refined products or petrochemicals. Competition is primarily from other refineries located in, or in close proximity to, the relevant market, and in the case of refineries that are net importers, from other international producers. Operating efficiencies and production costs are the key factors affecting competition in the refined products and chemicals markets. Accordingly, if the operating efficiencies and production costs of the Issuer's refineries in its downstream segment are not sufficiently competitive in the geographical markets they serve, the Issuer's business, financial position and results of operations could be materially and adversely impacted.

***The Group's operations are subject to environmental risk, and the Group is required to comply with environmental laws and regulations, which may continue to develop and change.***

The Group's operations are subject to the environmental risks inherent in virtually all aspects of its business, including oil and gas exploration, production, transportation and refining. There are environmental issues with current and past sites of operations that have been caused by the Issuer's subsidiaries, joint ventures and associates and their predecessors. The Group's primary environmental liabilities include land contamination, gas flaring, wastewater disposal and oil spills.

On 1 July 2021, a new environmental code (the "**Environmental Code**") entered into force in Kazakhstan. See "*Regulation in Kazakhstan—Environmental Compliance*". The Environmental Code reinforced prior regulatory principles and introduced new ones, such as the "polluter pays" principle. The adoption of the "polluter pays" principle has led to the introduction of several measures, including the obligation to eliminate environmental

damage in kind (as opposed to having to provide monetary compensation for ecological damage under the prior environmental legislation) and a significant increase in the rates of fines for environmental offences.

Further, the Environmental Code significantly extended the applicable statute of limitations period for claims relating to environmental damage to 30 years from the date that any such damage was inflicted. If the Group is audited and found to have breached the Environmental Code, it could lead to the imposition of severe fines. Any such fine could in turn have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations. As a relatively recent piece of legislation, the Environmental Code and relevant subordinate acts may be subject to different interpretations by the governmental agencies and/or courts, and may undergo further amendments, the extent of which remains uncertain.

The Group's cost of environmental compliance in 2024 amounted to KZT 45.4 billion, as compared to KZT 57.7 in 2023 and KZT 32.4 in 2022. The environmental costs primarily represent expenses for processing of oil waste, introduction of cleaner technologies and modernization of the existing treatment facilities. In addition, the Issuer has increased its budget for recovery of historical oil wastes and oil-contaminated soil treatment. The costs of environmental compliance in the future, and potential liabilities due to any environmental damage that may be or may have been caused by the Issuer, could be material. Moreover, the Issuer could be adversely affected by future orders and/or fines imposed by environmental authorities on subsidiaries, joint ventures or associates of the Issuer. Such orders could include the suspension or termination of one or more of the Issuer's subsoil contracts and environmental permits, or the temporary or permanent shutdown of operations.

Although the Issuer is obliged to comply with all applicable environmental laws and regulations, it cannot, given the changing nature of environmental regulations, guarantee that it will be compliant at all times. In addition, the Issuer does not in all instances have operational control over its subsidiaries, joint ventures, joint operations and associates. See *"Risks relating to the Issuer's business—The Group has a complex ownership and corporate structure and is largely dependent on dividends from its subsidiaries, joint ventures and joint operations"*. Any failure to comply with applicable environmental requirements could subject the Issuer to, among other things, civil liabilities and fines, and the temporary or permanent shutdown of affected operations. Any imposition of environmental fines, increase in the costs associated with compliance, suspension or revocation of licences, or termination of contracts could have a material adverse effect on the Group's business, prospects, financial condition, cash flows or results of operations.

***Climate change and sustainability concerns and impacts could require the Issuer to incur costs or invest additional capital, could reduce global demand for oil and gas and could negatively affect the Issuer's ability to obtain financing.***

Climate change and sustainability concerns manifested in public sentiment, investor sentiment, government policies, laws and regulations, international agreements and treaties and other actions may reduce global demand for crude oil and propel a shift to lower carbon intensity fossil fuels or alternative energy sources. The Issuer may be required to incur costs, invest additional capital or make changes to the way it does business to address the impacts of climate change.

In particular, Kazakhstan has committed to achieving net zero greenhouse gas emissions by 2060, a target enshrined into law in 2023, and has set a nationally determined contribution of reducing emissions by 25 per cent. by 2030 compared to 1990 levels. These national targets may lead to stricter domestic policies and regulations affecting the oil and gas sector, which could increase the Issuer's compliance costs, constrain its future development plans, and adversely affect its long-term business model.

Further, increasing pressure on governments to reduce greenhouse gas emissions ("**GHGs**") has led to a variety of actions that aim to reduce the use of fossil fuels, including, among others, carbon emission cap and trade regimes, carbon taxes, increased energy efficiency standards and incentives and mandates for renewable energy and other alternative energy sources. In November 2021, Kazakhstan and other countries entered into the Glasgow Climate Pact, which includes a range of measures and commitments designed to further minimise the use of coal, carbon emissions and to transition to renewable sources of energy. The Glasgow Climate Pact also called for phasing down inefficient fossil fuel subsidies. Although these international commitments are not directly binding on companies, additional regulatory requirements may be issued in an effort to help meet the relevant commitments and targets. Compliance with any such additional requirements may be costly for the Issuer. See also *"—The Group's operations are subject to environmental risk, and the Group is required to comply with environmental laws and regulations, which may continue to develop and change"*. Existing and future climate change concerns and impacts, and related laws, regulations, treaties, protocols, policies and other actions could shift demand to other fuels, reduce demand for the Group's products and have a material adverse effect on the Issuer's business, financial position and results of operations.



There are also increasing financial risks for oil and gas companies, as stockholders and bondholders currently invested in oil and gas companies concerned about the potential effects of climate change may elect in the future to shift some or all of their investments into non-fossil fuel energy-related investments. Institutional investors who provide capital to oil and gas companies also have become more attentive to sustainability issues, and the lending and investment practices of institutional lenders have been the subject to intensive lobbying efforts in recent years, oftentimes public in nature, by environmental activities, proponents of the international climate agreements, and foreign citizenry concerned about climate change not to provide funding for fossil fuel producers. Limitation on investments in and financings for fossil fuel energy could restrict the availability of capital, resulting in the restrictions, delay or cancellation of development and production activities of the Issuer.

Finally, it should be noted that increasing concentration of GHGs in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, floods and other climatic events. Such events, if severe, may damage or negatively impact the Issuer's infrastructure or disrupt operations. If any such effects were to occur, they could have an adverse effect on the Issuer's operations.

### **Risks relating to the Issuer's business**

***A number of the Issuer's production fields are mature, and the Issuer may be unable to successfully develop, replace and grow its current oil and gas reserves.***

As at 30 June 2025, more than half of reserves of KMG's operating subsidiaries, JVs and associated companies, in particular fields operated by Ozenmunaigas JSC ("OMG") and Mangistaumunaigas JSC ("MMG") and Embamunaigas JSC ("EMG") and Karazhanbasmunai JSC ("KBM") and PetroKazakhstan Kumkol Resources JSC ("PKKR") were mature. The Issuer has undertaken projects to maintain production levels, including various field development and rehabilitation projects, including the drilling of new wells, the completion of well workovers and the introduction of secondary enhanced oil recovery and well stimulation techniques. Such activities typically involve significant levels of capital expenditures in new technologies and alternative methods of extracting reserves from such fields. For certain fields (or parts of certain fields), the Government provides a tax incentive for undertaking such projects to make those fields more profitable. In 2019, such a tax incentive was granted at OMG, lowering the mineral extraction tax rate for certain parts of its fields to 2.6 per cent. from 13 per cent. This tax incentive was granted from 2019 until 2021. In 2022, it was extended until the end of the subsoil use contract in 2036.

The Issuer also intends to increase overall production levels by replacing reserves through new discoveries over the long-term and making new acquisitions of producing oil and gas fields. The Issuer's crude oil and gas exploration programme may result in unproductive wells or wells that are not economically feasible to produce. The Issuer may be required to curtail, delay or cancel any of its drilling operations because of a variety of factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, premature declines in reservoirs, blowouts, uncontrollable flows of crude oil, natural gas or well fluids, pollution and other environmental risks, adverse weather conditions, compliance with governmental requirements and shortages or delays in the availability of drilling rigs and the delivery of equipment. The economic viability of such activities also depends upon the minimum price per barrel of crude oil being sufficient to allow the Issuer to continue to conduct its operations and capital expenditure and exploration projects, in accordance with its budget. See "*The Issuer's revenue and net profits fluctuate significantly with changes in crude oil prices and its cost of operations, which are historically volatile and are affected by a variety of factors beyond the Issuer's control*".

No assurance can be given that such activities will achieve the desired results, particularly in geographically and technically challenging areas. Any failure of the Issuer to implement these activities in part or at all or in a cost-efficient manner could result in decreases in production or the profitability of such production, which could, in turn have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

***The reported quantities or classifications of the Issuer's crude oil and gas reserves depend on significant interpretations, assumptions and judgments.***

There are numerous uncertainties inherent in estimating the quantity of reserves and in projecting future rates of production, including many factors beyond the Issuer's control. Estimating the quantity of reserves is a subjective process, and estimates made by different experts may vary significantly. In addition, the results of drilling, testing and production subsequent to the date of an estimate may result in revisions to that estimate. Accordingly, reserves estimates may be different from the quantity of crude oil and natural gas that is ultimately recovered, and, consequently, the revenue therefrom could be less than that currently expected. The significance of such estimates

is highly dependent upon the accuracy of the assumptions on which they are based, the quality of the information available and the ability to verify such information against industry standards.

All reserves data comprises estimates only and should not be construed as representing exact quantities. These estimates are based on production data, prices, costs, ownership, geological and engineering data and other information assembled by the Issuer's subsidiaries, joint ventures and associates, and assume, among other things, that the future development of the Issuer's oil and gas fields and the future marketability of the Issuer's oil and gas products will be similar to past development and marketability. There can be no assurance that the interpretations, assumptions and judgments utilised by the Issuer to estimate proved reserves will prove to be accurate. Any significant deviation from these interpretations, assumptions or judgments could materially affect the estimated quantity or value of the Issuer's proved reserves. In addition, these estimates could change due to new information from production or drilling activities, changes in economic factors, including changes in the price of crude oil and gas, changes to laws, regulations or other events. For example, declining prices may cause certain proved reserves to no longer be considered commercially viable, which could result in downward adjustments to the Issuer's estimates of the Issuer's proved reserves, impairment of the Issuer's assets or changes to the Issuer's capital expenditures and production plans. Moreover, proved reserves estimates are subject to change due to changes in published rules or changes in guidelines. Any material reduction in the quantity or value of the Issuer's proved reserves could negatively affect the Issuer's business.

***The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers' products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer's ability to deliver its products.***

The Issuer's crude oil for export is transported primarily through international pipelines and, to a lesser extent, by rail and sea routes through other countries. The Issuer currently exports its crude oil to Europe by pipelines through Russian territory to Black Sea and Baltic Sea ports and through Azerbaijan by rail to the Batumi oil terminal in Georgia on the Black Sea. The Issuer also exports crude oil to China through the direct Kazakhstan-China pipeline. The Issuer is largely dependent upon intergovernmental agreements between Kazakhstan and other countries to transport its oil to markets outside Kazakhstan and upon such governments' adherence to such agreements, both of which are outside of the Issuer's control and cannot be guaranteed.

Crude oil from Tengiz, Kashagan and Karachaganak, the Issuer's megaprojects, as well as EMG and Kazakh oil Aktobe, is transported mainly through the CPC pipeline. In 2024, the CPC pipeline transported approximately 55.7 million tonnes of Kazakh crude oil, or about 81 per cent of the country's total crude oil exports. The Kazakhstani portion of the pipeline is operated by Caspian Pipeline Consortium-K JSC ("CPC-K") and the Russian portion of the pipeline is operated by Caspian Pipeline Consortium-R ("CPC-R").

Both CPC-K and CPC-R have the same shareholders that comprise: the Russian Federation (24 per cent, with Transneft PJSC acting as trustee), Kazakhstan (20.75 per cent, held by the Issuer, including 1.75 per cent through Kazakhstan Pipeline Ventures LLC ("KPV")), Chevron Caspian Pipeline Consortium Company (15 per cent), LUKOIL International GmbH (12.5 per cent), Rosneft-Shell Caspian Ventures Ltd. (7.5 per cent), Mobil Caspian Pipeline Company (7.5 per cent), IC CPC Company LLC (7 per cent), BG Overseas Holding Limited (2 per cent), Eni International (N.A.) N.V. S.ar.l. (2 per cent) and Oryx Caspian Pipeline LLC (1.75 per cent). See "*Business—Transportation of Crude Oil— CPC pipeline System.*" Following the start of the Russia-Ukraine military conflict in February 2022, the U.S. has imposed a ban on the import of all Russian crude oil and in June 2022 the EU has imposed a partial ban on importing hydrocarbons from Russia, coming into full effect towards the end of the 2022. Crude oil transported through the CPC pipeline, known as the CPC blend, is composed predominantly of Kazakh-origin crude transported to the Black Sea terminal at Yuzhnaya Ozereyevka (Novorossiysk), with certificates of origin issued to verify its Kazakh provenance. If restrictions are placed on the transportation of crude oil from or via Russia, the Group's business will be negatively affected. Although the current sanctions on Russian export pipelines do not apply to the CPC blend and CPC pipeline (as the U.S. Office of Foreign Assets Control has issued an exemption), CPC has experienced difficulties in sourcing the necessary replacement parts for the current repairs, and may face similar challenges and overall reluctance of international suppliers to deliver necessary equipment to support any future emergency repair work should the equipment be damaged again. See "*—Risks relating to the region in which the Issuer operates—The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine.*"

In addition, in 2025 the CPC system was subject to further disruptive events, including drone strikes on infrastructure and a dispute with the Russian regulator that resulted in court proceedings. Such events have caused interruptions to operations and highlight the potential vulnerability of the pipeline to geopolitical and security risks. Any further material disruption to the CPC system could significantly affect the Issuer's ability to export

crude oil, leading to reduced revenues, increased costs, and an adverse impact on its financial results.

Further, any reduction or cessation in the availability of the Issuer's export routes, whether due to maintenance breakdowns, contamination, legal claims or disputes, security issues, political developments, natural disasters, public health threats and global pandemics or disagreements with the Issuer's partners, among other things, would materially adversely affect exports, which, in turn, would have a material adverse impact on the Issuer's business, prospects, financial condition, cash flows or results of operations. Significant transportation disruptions could also result in reductions in, or interruptions of, production, which, together with the costs of resuming production and restoring production to pre-reduction or interruption levels, could have a material adverse impact on the Issuer's business, prospects, financial condition, cash flows or results of operations.

***Certain of the Issuer's customers and business associates are subject to U.S. and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer.***

The U.S. government imposes economic sanctions and trade embargoes with respect to certain countries in support of its foreign policy and national security goals. These laws and regulations are administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") and, in certain instances, by the U.S. State Department. U.S. economic sanctions impose restrictions on U.S. persons and, in certain circumstances, non-U.S. persons with respect to activities or transactions with certain countries, governments, entities or individuals that are the target of the relevant U.S. economic sanctions. Under applicable U.S. economic sanctions, U.S. persons also are prohibited from facilitating such activities or transactions, and non-U.S. persons are prohibited from causing other persons to violate applicable prohibitions. The UK, the EU and various other countries (such as, Australia, Canada, Japan and Switzerland), as well as the United Nations, have also implemented measures aimed at prohibiting or restricting engagements in financial and other dealings with sanctioned countries, entities and individuals.

In 2014, the U.S. and the EU (and other nations, such as Canada, Switzerland, Australia and Japan) imposed sanctions on certain Russian persons and entities, including certain sanctions restrictions, but not a complete ban on doing business, on Gazprom (a Russian state-owned oil and gas company restricted under U.S. sanctions from transfers of products and technologies relating to certain types of oil exploration and production projects), Transneft PJSC ("**Transneft**") (a Russian state-owned pipeline company restricted under U.S. and EU sanctions from transactions involving its new debt and/or equity) and Lukoil (a publicly-traded Russian energy company restricted under U.S. sanctions from transfers of products and technologies relating to certain types of oil exploration and production projects). SIBUR Holding PJSC ("**SIBUR**"), a major Russian petrochemicals producer, has also been subject to U.S., UK and EU sanctions, which restrict access to financing and technology transfers. These sanctions have intensified since the military conflict commenced by Russia against Ukraine in 2022 (see "*Risks relating to the region in which the Issuer operates—The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine*"). The scope of these sanctions restrictions could potentially change in the future. The Group has business relationships with each of Transneft, Lukoil, SIBUR and Gazprom (see *–Business – Petrochemical, Transportation of Crude Oil, Exploration Projects*). Whilst the Issuer is not, and does not believe its joint ventures are, subject to sanctions as of the date of this Offering Memorandum, there is a risk this could change in the future should the sanctions regime change.

Furthermore, the EU and U.S. have imposed sectoral sanctions on entities operating in certain sectors of the Russian economy, in particular in the financial, oil and gas, defence and related materials sectors. With respect to the financial sector, under these sectoral sanctions the EU and U.S. imposed prohibitions on transactions by EU and U.S. persons or within the EU or U.S. with respect to transacting in, providing financing for, or otherwise dealing in debt with a prescribed maturity or equity, if that debt or equity is issued on or after prescribed dates by, or on behalf of, or for the benefit of named persons, their property, or their interests in property. Since 2022, the scope of sanctions has also expanded significantly. In particular, the U.S., EU and UK have each imposed blocking sanctions on a number of major Russian state-owned banks and corporates, prohibiting U.S., EU and UK persons from engaging in virtually all transactions with such institutions. Secondary sanctions regimes have also been introduced, under which persons that facilitate significant transactions or have material dealings with sanctioned Russian banks or other sanctioned entities risk themselves being designated as sanctioned persons. Following the imposition of blocking sanctions in 2022 to 2024, access to funding from these institutions is now effectively prohibited for U.S., EU and UK persons, and other international financial institutions are increasingly reluctant to transact with such institutions. As a result, the Issuer's ability to raise funding from Russian state banks has been significantly reduced, and its access to other sources of international financing may in turn be constrained. The Group's operations may also expose the Group to the risk of violating, or being accused of violating, economic

and trade sanctions or engaging in conduct that may create a risk of the imposition of secondary sanctions.

In addition, a number of large corporations, including major international oil and gas companies, have divested interests or otherwise curtailed business dealings with certain Russian businesses or announced plans to do so. See “—Risks relating to the region in which the Issuer operates—The Group’s business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine”.

***The Group has a complex ownership and corporate structure and is largely dependent on dividends from its subsidiaries, joint ventures and joint operations.***

As at the date of this Offering Memorandum the Group has a complex corporate structure, consisting of 175 legal entities (including the Issuer) represented by numerous subsidiaries, joint ventures, joint operations and associates, many of which may be material to the Group’s operations. In December 2020, the Government adopted Resolution No. 908 dated 29 December 2020 “On certain matters of privatization for years 2021-2025”, which envisages that certain assets of the Sovereign Wealth Fund “Samruk-Kazyna” Joint Stock Company (“**Samruk-Kazyna**”), including members of the Group, be disposed of through direct sales, IPO or other means. On 30 May 2025, the State Commission for Economic Modernization decided to postpone the transfer of KMG International to a competitive environment to 2026–2027.

While most of the Group’s assets are located in and operations are conducted in Kazakhstan, the Issuer holds interests in certain assets located outside Kazakhstan, including: (1) the downstream assets represented by the Petromidia Refinery and Vega Refinery in Romania and gas filling stations in Central and Eastern Europe (through KMG International), (2) midstream assets in Georgia represented by the Batumi Sea Port (through KazTransOil JSC (“**KTO**”)) and (3) the midstream assets in Russia represented by CPC-R, which operates the Russian portion of the CPC pipeline, and a few others (including holding companies incorporated under the laws of foreign jurisdictions). The location of assets outside the country of main operations of the Issuer exposes such assets to additional risks associated with compliance with local laws and regulations, relationship with the governmental authorities in those jurisdictions, geopolitical and other factors and may have an adverse impact on financial condition or results of operations of the Issuer.

Also, the Issuer has limited direct access to cash flows and is largely dependent on dividends from its subsidiaries, joint ventures, joint operations or associates. The Issuer’s subsidiaries are separate legal entities, and although they are directly or indirectly wholly owned and controlled by the Issuer, the ability of the subsidiaries to distribute cash to the Issuer will be subject to, among other things, financial covenants accepted by such subsidiaries, availability of sufficient funds in such subsidiaries and applicable laws and regulatory restrictions. The ability of the Issuer to receive dividend payments from its joint venture investments could be adversely affected by the lack of sole decision-making authority, particularly where the Issuer has a minority interest (as in Tengizchevroil LLP (“**TCO**”) and Karachaganak Petroleum Operating B.V. (“**KPO**”)), the Issuer’s reliance on the financial condition of its joint venture partners and potential disputes between the Issuer and its joint venture partners. See “—The Issuer has interests in joint ventures in which it has a non-controlling interest.” If the Issuer does not receive dividends in line with its expectations, it could in turn have an adverse impact on the Issuer’s business, prospects, financial condition, cash flows or results of operations as well as its ability to pay dividends to its shareholders.

***The Issuer has interests in joint ventures in which it has a non-controlling interest.***

The Issuer directly, or through its subsidiaries, is party to several joint ventures, some of which are a significant part of the Issuer’s current and prospective net profit. The Issuer may, in the future, enter into additional joint ventures as a means of conducting its business. Many of the joint venture projects are long-term arrangements and the interests of the different consortium members may diverge over the life of project resulting in competing business strategies and priorities. The Issuer cannot fully control the operations or the assets of these entities, nor can it unilaterally make major decisions with respect to such entities. This lack of full control constrains the Issuer’s ability to cause such entities to take action that would or might be in the best interests of the Issuer or, in limited cases, to refrain from taking action that would or might be materially adverse to the interests of the Issuer. However, for most major joint ventures and major affiliated companies, the Issuer has various arrangements put in place, which allow the Issuer to have a certain degree of control over the decision-making at either the shareholders’ or board or both levels – such arrangements include, for example, a requirement for a unanimous vote, veto rights or reserved matters that specifically require the Issuer’s vote.

Even though the vast majority of the Issuer’s joint venture partners are global majors or national champions, the Issuer is also exposed to the credit risk of its joint venture partners. Many of the projects undertaken by the joint ventures are capital intensive and require significant investments from the partners to fund initial project costs and any cost overruns. If one of the partners is unable or refuses to fund its proportion of such investments, the joint

venture may be unable to complete the project on time and on budget, if at all. In addition, if one of the Issuer's partners in a joint venture were to suffer an insolvency event, it could lead to the liquidation of that partner's investment in the project, which could, in turn, adversely affect the joint venture operations. Further, the Issuer is not generally able to exercise control over the standards, operations and compliance of its joint venture partners. The Issuer may be affected by any material damage to the business reputation of a joint venture partner, which could, in turn, adversely affect the Issuer's own reputation and/or lead to legal proceedings and/or regulatory risks.

Although relations between the Issuer and its joint venture partners are generally positive and the Issuer's management does not foresee any deterioration in its relationship with its joint venture partners, the Issuer cannot be sure that relations will remain so in the future. Any deterioration in the Issuer's relationship with its joint venture partners or a deterioration in the Government's relationship with the governments of such joint venture partners, such as the Chinese or Russian governments, could have a material adverse impact on these various joint ventures and, accordingly, the Issuer's business. See *"Business—Overview"*.

***The operations of the Issuer's subsidiaries, joint ventures and associates are regulated by and must be conducted in compliance with governmental regulations as well as the obligations under their respective licences, contracts and field development plans.***

The Issuer is subject to legal, regulatory and contractual obligations in the normal course of its business. For example, the Issuer's operations must be carried out in accordance with the terms of its subsoil use contracts and annual working programmes and budgets as set forth in the subsoil use contracts. Such subsoil use contracts are in turn regulated by certain Kazakhstan laws and regulations.

Since the mid-2000s, legislation applicable to oil and gas exploration and production in Kazakhstan has been amended several times. On 29 June 2018, a new subsoil regulation (the **"Subsoil Code"**) entered into force and replaced the Law "On Subsoil and Subsoil Use" (No. 291-IV, dated 24 June 2010) as amended, (the **"Subsoil Law"**). The Subsoil Code regulates the natural resources industry, including oil and gas production. In particular, the Subsoil Code sets out certain circumstances in which subsoil use contracts may be suspended or terminated prematurely or fines may be imposed against subsoil users, such as the Issuer. The Subsoil Code also gives the Government the right to unilaterally review the terms of subsoil use contracts, including production sharing agreements (**"PSAs"**), in the event of a threat to national security due to the change in the economic interests of Kazakhstan with respect to deposits of strategic importance. However, certain PSAs, to which the Issuer is a party (including with respect to Kashagan and Karachaganak fields), provide that in such cases contractor-parties to the PSA, including the Issuer, shall be paid immediate, adequate and efficient compensation. See *"Regulation in Kazakhstan—Regulation of Mineral Rights in Kazakhstan—Regulation of Subsoil Use Rights under the Subsoil Code—The State's Pre-Emptive Right and Strategic Deposits"*.

The Government has recently announced plans and, in certain instances, has already initiated negotiations with foreign oil companies in relation to product sharing agreements and subsoil use rights (including in relation to the Group's megaprojects. While the outcome of these negotiations remains uncertain, any changes to the terms of such agreements could have a material impact on the Group's contractual rights and obligations.

Government agencies can, and do from time-to-time, inspect the Issuer's compliance with its subsoil use contracts and applicable laws and regulations. There can be no assurance that the views of the Government agencies regarding the development of the Issuer's fields or compliance with the terms of its subsoil use contracts will coincide with the Issuer's views, which might lead to disagreements that cannot be resolved. The suspension, revocation or termination of any of the Issuer's subsoil use contracts, or suspension of Issuer's operations or separate facilities, as well as any delays in the continuous development of or production at the Issuer's fields caused by these disagreements, could have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

Laws applicable to the Issuer's operations are subject to change, and the Issuer must achieve and maintain compliance with new regulations, which could involve significant management time and expense and could adversely impact its business. For example, on 18 July 2025, the President of Kazakhstan signed Tax Code No. 214-VIII (the **"New Tax Code"**), which will take effect on 1 January 2026 and will replace the current Tax Code (the **"Tax Code"**) which was implemented in 2018. As the New Tax Code has not yet been applied in practice, there is no precedent or judicial interpretation clarifying how certain provisions, including those relevant to the taxation of noteholders, will operate. Any such uncertainty, or future changes in interpretation or application, could adversely affect the tax treatment of payments on the Notes. The oil and gas industry can also be expected to be the focus of continuing attention from a regulatory perspective. In other developing countries, petroleum companies have faced the risks of expropriation, breach or abrogation of project agreements, application of laws and regulations from which such companies were intended to be exempt, denials of required permits and approvals, increases in

royalty rates and taxes that were intended to be stable, application of exchange or capital controls and other risks and any such actions or events in Kazakhstan could have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

***Labour disputes may materially adversely affect the Group's business.***

The Group's industry is labour intensive, and the Group depends on more than approximately 52 thousand employees to carry out its operations. The Issuer's management is focused on social responsibility and its efforts to improve employee relationships, but work slowdowns, work stoppages, strikes or other labour disputes have occurred in the past and there can be no assurance that they will not occur in the future. See "*—The Issuer relies on the services of third parties, and the Group's reliance on these parties exposes it to risks including disruptions in operations and quality issues of third parties.*"

In the event of a potential strike there may not be sufficient alternative staff and employees to run production activities which may result in ongoing reductions in production or a need to devote financial resources to restore production. As of 30 June 2025, approximately 70 per cent. of the Group's employees are represented by trade unions. The Group may become subject to material cost increases or additional work rules imposed by agreements with such labour unions. This could increase costs in absolute terms and/or as a percentage of revenue. Labour disputes materially affecting any of the Group's operations or the operations of any third party which the Group utilises for its business, may adversely affect the Group's business, prospects, financial condition, cash flows or results of operations.

***The Group engages in business activities in furtherance of social objectives, some of which are as required by the Government through laws, regulations or other mandates, and the costs of these business activities may increase.***

As one of the largest companies in Kazakhstan, the Group fulfils certain social roles through investing in and implementing social projects and initiatives to support the communities and the environment in which it operates and leverages its know-how, operational capabilities and financial resources in furtherance of these projects. In addition to projects undertaken on its own initiative, the Government has directed, and may in the future direct, the Issuer to undertake projects or provide assistance for initiatives. The Government, for example, may require the Group to manage and operate businesses outside of its core business competencies, make certain social investments and accept below market prices. The Government may also impose other social duties, such as construction of social and recreational infrastructure, charitable activities and implementation of community development programmes on the Issuer, which will increase the Issuer's capital expenditures and could, in turn, have a material adverse effect on the Group's business, prospects, financial condition, cash flows or results of operations.

The Issuer's subsidiaries, joint ventures and associates are in many regions of Kazakhstan the largest employers in cities in which they operate. While the Issuer does not have any specific legal obligation or responsibilities with respect to these regions, its ability to reduce the number of its employees may nevertheless be subject to political and social considerations. Any inability to reduce the number of employees or make other changes to the Group's operations in such regions could have an adverse effect on the Group's business, prospects, financial condition or results of operations.

***The Issuer's controlling shareholder Samruk-Kazyna will continue to be able to exercise significant influence over the Issuer, its management and its affairs.***

As at 30 June 2025, Samruk-Kazyna continues to beneficially own 67.42 per cent. of the Issuer's shares. As a result, Samruk-Kazyna will possess sufficient voting power to have control over all matters requiring shareholder approval, including the ability to appoint and remove, or influence the appointment and removal of, the members of the Boards of Directors and management of the Issuer and approval of major transactions (per applicable legislation), including major related party transactions with counterparties outside the Samruk-Kazyna group. See "*—Risks relating to the region in which the Issuer operates—The Group is largely dependent on the political, economic and geopolitical conditions prevailing in Kazakhstan.*" The interests of Samruk-Kazyna may not always be aligned with those of other shareholders and therefore the decisions taken by Samruk-Kazyna with respect to the Issuer may not reflect the interests of all shareholders and may impact Group's business, prospects, financial condition or results of operations.

***The Group faces risks associated with regulated oil transportation tariffs, refinery services, some of which have been and may be set by the Government at below cost.***

The domestic and transit transportation tariffs for oil, as well as local refineries, are subject to regulation and approval. Such tariffs may be set at rates unfavourable to the Issuer, and it may be difficult for the Issuer to make a profit on oil transportation services if such tariffs are set below cost.

Domestic transportation tariffs for oil currently require the approval of the Committee on Regulation of Natural Monopolies of the Ministry of National Economy of Kazakhstan (the “**Natural Monopolies Committee**”). The Natural Monopolies Committee has set capped tariffs for such domestic transportation of oil. The Issuer’s oil transportation subsidiaries KTO and KTO’s oil transportation joint ventures Kazakhstan-China Pipeline LLP (“**KCP**”) and MunaiTas North-West Pipeline Company LLP (“**MunaiTas**”) charge the Issuer’s subsidiaries, joint ventures and associates and other shippers fixed tariffs for domestic shipments of oil through their pipeline systems. In the past, the tariffs set by the competent authority that preceded the Natural Monopolies Committee for the domestic transportation of oil have been set at a rate below the Group’s cost. To the extent that the Natural Monopolies Committee caps domestic oil transportation tariffs, or any other regulated tariffs, below cost, this would have a material adverse effect on the Group’s business, prospects, financial condition, cash flows or results of operations.

The Issuer’s transportation subsidiary KTO and JV KCP also charge fixed tariffs for the transit of Russian crude oil through their pipeline systems to China. While tariffs for the export of crude oil were deregulated in 2015, tariffs for the transit of crude oil by a trunk pipeline are subject to approval by the Ministry of Energy. The Ministry of Energy has set capped tariffs for such transit oil transportation. To the extent that the Ministry of Energy were in the future to cap tariffs at rates unfavourable to the Issuer, this would have a material adverse effect on the Group’s business, prospects, financial condition, cash flows or results of operations.

The Group’s domestic and transit transportation tariffs may be affected by social and political considerations and have historically been subject to both upward and downward revisions. No assurance can be given that any actions of the Natural Monopolies Committee or the Ministry of Energy, such as setting domestic and transit oil transportation tariffs at lower than cost, will not have a material adverse effect on the Group’s business, prospects, financial condition, cash flows or results of operations.

In addition, the Issuer’s refineries processing fees are approved by the Ministry of Energy of the Republic of Kazakhstan. Revenue from refinery services represents approximately 3 per cent. of the Group’s total revenue in 2024, a share broadly comparable to that of transportation services. Any adverse changes in the regulatory framework or tariff-setting practices applicable to refinery services could similarly have a material adverse effect on the Group’s business, prospects, financial condition, cash flows or results of operations.

***The Group is subject to legal proceedings and other disputes from time-to-time.***

In common with many large companies, the Group is subject to legal proceedings, regulatory investigations and examinations and other forms of litigation brought by third parties relating to, amongst other things, civil, administrative, environmental, labour and tax claims. These claims could involve a wide range of issues and in certain instances substantial amounts have been or could be claimed. See “*Business—Litigation*”. Due to the nature of these proceedings, the Issuer is not able to forecast or determine the final results of such proceedings. Resolution of these types of matters against the Group may result in it having to pay significant fines, judgments or settlements, which, if uninsured, or if the fines, judgments and settlements exceed insured levels, could have a material adverse effect on the Group’s business, prospects, financial condition, cash flows or results of operations. See “*Business—Litigation*” for further details.

***The Group is leveraged and is required to comply with certain financial and other restrictive covenants.***

As a result of the Issuer’s acquisition-driven growth strategy and large capital expenditures programme over the last several years, the Issuer is leveraged, with total borrowings of KZT 3,892.3 billion as at 30 June 2025. In addition, certain of the Issuer’s subsidiaries are subject to financial and other restrictive covenants under the terms of their indebtedness. Such covenants may in turn impose obligations on the Issuer as a parent guarantor under such indebtedness. In the past, the Issuer has assisted its subsidiaries in achieving compliance with their financial and other restrictive covenants as needed, particularly in times of negative market conditions. Compliance with these covenants may affect the flexibility of the Group to operate and the flexibility of the Issuer to pay dividends. While the Issuer’s subsidiaries are currently in compliance with all financial covenants applicable to them, the Issuer’s management cannot give any assurance that the Issuer’s subsidiaries will be able to meet the tests imposed by the financial and other restrictive covenants under the terms of its respective indebtedness or that they will be

able to obtain consents to amend or waivers in respect of such covenants in the future. If the Issuer's subsidiaries are unable to comply with the restrictions and covenants in its existing or future debt and other agreements, a default under the terms of those agreements may result, which could have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

***The Issuer's insurance coverage may not cover all potential losses arising from operational hazards and unforeseen interruptions.***

The Issuer has a unified insurance programme for substantially all of its subsidiaries and affiliates. This insurance programme covers property damage and natural catastrophes, well control, third-party liability coverage, including sudden and accidental pollution, and directors' and officers' liability insurance. The extent of such insurance coverage may, however, be limited and may not include for example machinery business interruption cover, which has been maintained in respect of only certain of the Issuer's processing assets. There are a number of mandatory statutory insurance covers maintained for employer's liability insurance, environmental liability and hazardous object owner's liability insurance. Overall, the insurance programme does not mandate and the Issuer does not carry dedicated insurance against environmental damage caused by its own operations, cyber-attacks, war, sabotage or terrorist attacks. See "*Business—Insurance*". The Issuer can give no assurance that the proceeds of insurance are adequate to fully cover increased costs and expenses relating to potential losses or liabilities. Accordingly, the Issuer may suffer losses from uninsurable or uninsured risks or insufficient insurance coverage, particularly if they arise at a time when the Issuer is facing material cost increases as a result of a significant operational event which could put pressure on the Issuer's liquidity and cash flow.

***The Issuer is exposed to risks related to concentration of its cash accounts and deposits.***

As at 30 June 2025, the majority of the Issuer's cash and cash equivalents and bank deposits were kept in foreign banks (86 per cent. of the total amount or KZT 2,654.1 billion) and the rest are kept in Kazakhstan in local banks and banks with foreign participation (14 per cent. of the total amount or KZT 435.1 billion). 65 per cent. or KZT 281.8 billion of cash and cash equivalents and bank deposits held in Kazakhstan is placed within three banks in Kazakhstan whose credit ratings from S&P Global Ratings, Fitch Ratings and Moody's are at least BB and Ba2. Whilst the Issuer regularly analyses banks on their credit risks and the need to change the allocation of cash accounts and deposits in banks, in the event that the Kazakhstan banking sector and specifically any of the banks at which the Issuer maintains deposits encounters difficulties, it could result in the freezing of all or a portion of the Issuer's cash, adversely affecting the Issuer's liquidity and ability to pay its obligations, which could have a material adverse effect on the Issuer's business, prospects, financial condition, cash flows or results of operations.

***The Issuer may be subject to exchange and interest rate risk.***

The Issuer's principal exchange rate risk involves changes in the value of the U.S. Dollar relative to Tenge and, to a lesser extent, relative to other currencies. The Issuer's trade receivables as at 30 June 2025, KZT 720.9 billion, of which, KZT 412.0 billion are denominated in U.S. Dollars. On the revenue side, all of the Issuer's export revenue, including the exports of crude oil and refined oil products, are denominated in U.S. Dollars or are correlated with U.S. Dollar-denominated prices for crude oil and refined oil products. Because most of the Group's revenue is denominated in U.S. Dollars, while a significant share of its costs is Tenge-denominated, the Group generally benefits from an appreciation of the U.S. Dollar against Tenge, which consequently has a positive effect on the Group's results of operations.

As at 30 June 2025, KZT 2,773.5 billion of the Issuer's borrowings was denominated in U.S. Dollars (representing 71.3 per cent. of the Issuer's total borrowings of KZT 3,892.3 billion as at that date). Decreases in the value of the U.S. Dollar relative to Tenge have reduced, and will continue to reduce, the value of the Issuer's U.S. Dollar-denominated liabilities when measured in Tenge, whereas increases in the value of the U.S. Dollar relative to Tenge have increased, and will increase, the value of the Issuer's U.S. Dollar denominated liabilities when measured in Tenge. Because the Issuer's reporting currency is Tenge, the Issuer has suffered, and will continue to suffer, foreign currency translation losses when the U.S. Dollar increases in value against Tenge. See "*Risks relating to the region in which the Issuer operates—The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine.*" Within the Group, the Issuer uses "natural" hedging of foreign exchange rate risks and does not use hedging instruments to minimise interest rate risks and KMG International uses hedging instruments to mitigate foreign exchange rate and interest rate risks.

The Issuer is also exposed to interest rate risk on its borrowings. The Issuer's policy is to manage its interest rate cost using a mix of fixed and variable rate borrowings. As at 30 June 2025, the Issuer had borrowings outstanding in an amount of KZT 3,892.3 billion, of which KZT 3,338.8 billion bears interest at fixed rates and KZT 553.6



billion bears interest at floating rates. The Issuer incurs debt for general corporate purposes including financing capital expenditures, financing acquisitions and working capital needs. Upward fluctuations in interest rates increase the cost of new debt and the interest cost of any outstanding variable rate borrowings which could have a material adverse effect on the Group's business, financial condition or results of operations or prospects. Additionally, for Notes that are denominated in Renminbi, any appreciation of Renminbi against Tenge will increase the Issuer's debt servicing costs.

***There can be no assurance that the framework around being a national company or national operator will not change or that the benefits of being a national company or national operator will not change.***

Under current legislation, a Kazakhstan company is designated a national company where it is at least 50 per cent. owned by the Government or by a national holding company. In accordance with the Decree of the President of the Republic of Kazakhstan No. 811 dated 20 February 2002, the Issuer was established as a national company, with the purpose of increasing the level and protection of the Government's interests in the oil and gas sector of Kazakhstan's economy. Furthermore, the Issuer was included as a national company in the list of national companies under the Decree of the Government of the Republic of Kazakhstan No. 376 dated 6 April 2011, which confirmed its legal status in compliance with law. The Subsoil Code provides that the Ministry of Energy may exercise the state priority right through a national company or national management holdings. As such, the Issuer is able to exercise a priority right in the oil and gas sector, as the national company for oil and gas. There can be no assurance, however, what terms and conditions may be imposed on the Issuer in its capacity as a national company. In particular, there can be no assurance that the Subsoil Code or other relevant implementing legislation will not be amended to alter the rights to which a national company is entitled. For example, previously, the legal framework provided that the national oil and gas company had a priority right with regard to all oil and gas deposits in Kazakhstan, but this was amended in 2014 so the national oil and gas companies retained a priority right only with regard to strategic oil and gas deposits in Kazakhstan. See "*Regulation in Kazakhstan—New Regulation of Subsoil Use Rights under the Subsoil Code—The State's Pre-Emptive Right and Strategic Deposits*". Additionally, in November 2021, the Government adopted a Resolution No. 854 "On allocation of activities of national companies", which established that NC "QazaqGaz" JSC ("**QazaqGaz**", previously named JSC KazTransGaz) was responsible for exploration and production of gas and gas condensate at gas fields, while the Issuer was responsible for exploration and production of oil, oil and gas and oil and gas condensate fields. The Resolution mandated that the Issuer and QazaqGaz enter into a separate agreement to further delineate competences of a national company in the field of hydrocarbon exploration and production pursuant to the Subsoil Code. In January 2022, the Issuer and QazaqGaz signed the agreement pursuant to which, *inter alia*, the Issuer retained the right to exercise the state's priority right, perform trust management and acquire subsoil use rights through direct negotiations with the state, with regard to oil, oil and gas, and oil and gas condensate fields, while QazaqGaz obtained the right to the same with regard to gas and gas condensate fields only.

The Law on Gas and Gas Supply No. 532-IV, dated 9 January 2012 (the "**Gas Law**") introduced the concept of a "national operator" with wide powers and functions representing state interests in the sphere of gas and gas supply in Kazakhstan. Under the Gas Law, a national operator is entitled, *inter alia*, to exercise the priority right of the state on purchase of raw and commercial gas, acquire units of unified commercial gas supply system and carry out the wholesale trade of commercial gas. Hence, in accordance with the Decree of the Government of the Republic of Kazakhstan No. 914 dated 5 July 2012, QazaqGaz, was appointed as the national operator. As a result, QazaqGaz has been given a priority right to purchase all associated gas produced in Kazakhstan, including by the members of the Group at a regulated price. In particular, the regulated price at which QazaqGaz is entitled to purchase associated gas may be below prevailing market prices. In addition, the Group is dependent on QazaqGaz as a single purchaser of associated gas, which reduces the Group's flexibility to negotiate more favourable commercial terms with alternative buyers. Any changes in regulation, delays in payments by QazaqGaz, or amendments to the pricing methodology could also have an adverse effect on the Group's cash flows, profitability and overall financial condition.

***The Group operates in a number of remote areas that are difficult to access.***

Because of the remote location of many of the Group's operations, the Group generally does not have immediate access to equipment or facilities to address problems such as equipment breakdowns and failures and delays may occur in accessing required materials or supplies in order to carry out necessary repairs or maintenance. Similarly, operating in remote areas exposes the Group's operations to risks caused by poor infrastructure, such as power outages, which can reduce oil production. Further, Kazakhstan's climate is characterised by harsh winters and hot summers. A large number of the Group's facilities and large segments of its networks are located in areas that experience severe weather conditions, particularly in winter, and extreme variability in winter and summer weather, which can accelerate wear and tear on pipelines and related equipment. For example, in the part of

Kazakhstan where the Kashagan Field is located, winter temperatures can drop to -40°C, while summer temperatures can reach +40°C. Extremely harsh weather conditions paired with the remoteness of certain of the Group's facilities may make it difficult to gain access to conduct repair or maintenance quickly or to reach drilling sites and other facilities. The remote location of many of the Group's operations also makes its assets and infrastructure susceptible to targeted attacks, as the infrastructure is less easily monitored or protected. As a result, the Group may not be able to immediately respond to or repair damage resulting from such acts, which could have a material adverse effect on the Group's business, prospects, financial condition, cash flows or results of operations.

***The Group relies on the services of third parties, and the Group's reliance on these parties exposes it to risks including disruptions in operations and quality issues of third parties.***

The Group relies to a large extent on external contractors and sub-contractors to carry out maintenance of the Group's assets and infrastructure who are responsible for the adequacy of the resources and capabilities they bring to a project. For example, although the Group is actively seeking to perform certain of these services internally, a significant majority of the maintenance work relating to upstream and midstream operations performed by the Group is carried out by external contractors and sub-contractors and, in line with the Issuer's strategy and its goal of headcount optimisation in the Group's upstream activities, work related to non-core assets is expected to continue to be outsourced. The Group relies on external contractors and sub-contractors in all regions of Kazakhstan to perform major works, such as wells workovers and maintenance, repairs and maintenance of equipment, drilling systems, pumping units, pipe isolation systems and electrochemical protection systems, maintenance and replacement of pipes and maintenance of other general buildings and structures. As a result, the Group is largely dependent on the satisfactory performance by its external contractors and sub-contractors and the fulfilment of their obligations, and any non-performance may result in operational, financial and safety risks as well as legal liability and reputational damage. If an external contractor or sub-contractor fails to fulfil its obligations satisfactorily, this may lead to delays or curtailment of the production, transportation, refining or delivery of oil and gas and related products, which could have an adverse effect on the Group's results of operations. Further, if any safety incidents occur, such contractors and sub-contractors may be unwilling or unable to fully compensate the Group against costs incurred on their behalf.

***The Group's operations are dependent on the reliability and security of its IT systems.***

The oil and gas industry is subject to fast evolving risks from cyber threat actors, including nation states, criminals, terrorists, activists and insiders. The Group relies on the security of critical information and operational technology systems for, among other things, the exploration, development, production, storage and distribution of its products; the processing, use and security of financial records, proprietary information, intellectual property, personal information and operating data; and communications with management, personnel and business partners. Despite precautions taken by the Issuer, a breach or failure of the Issuer's IT systems due to intentional actions such as attacks on its cyber security, power outages, disruptions or other factors, could seriously disrupt the Issuer's operations and could result in the loss or misuse of data or sensitive information, injury to people, disruption to the business, harm to the environment or the Issuer's assets, legal or regulatory breaches and potentially legal liability. Breaches of other Group companies or joint ventures could also result in significant costs or reputational consequences. Any future disruptions, breaches or failures could result in significant costs or reputational consequences and could adversely affect the Group's business, prospects, financial condition, cash flows and results of operations.

***The Group's operations depend on electrical power, internet and telecommunication infrastructure, and if any of these systems are compromised or unavailable, the Group's business could be adversely affected.***

The Group is dependent on electrical power, internet and telecommunications infrastructure that are managed by third parties. The Group's business, like other companies in the oil and gas industry, has become increasingly dependent on information systems and computer-based programs, including for well operation information, seismic data, and electronic data processing and accounting data. If any of such infrastructure, systems or programs were to fail or become unavailable or compromised, or create erroneous information in the Group's hardware or software network infrastructure, the Group's ability to safely and effectively operate its business will be limited and any such consequence could have a material adverse effect on its business.

***Global supply chain disruptions and inflation may adversely affect the Group's operations.***

Supply and demand imbalances arising from military conflict between Russia and Ukraine have resulted in shortages, backlogs and delayed deliveries of a wide array of products and services, including equipment critical to the Issuer's operations. A disruption in the deliveries from third-party suppliers, manufacturers or service

providers, capacity constraints, production disruptions, price increases, including those related to information and supply chain disruption related to contagious disease pandemics or geopolitical circumstances could cause unscheduled operational downtime and result in deferral or reduction of revenues and increased costs, any of which could materially adversely affect the Issuer's profitability.

***The Issuer is dependent on senior management and key personnel.***

While Issuer currently has a strong senior management team, such senior management and key personnel may voluntarily terminate their employment with the Issuer or leave their positions due to reasons beyond the Issuer's control. The Issuer's success depends upon its ability to identify, hire, develop, motivate and retain highly-qualified senior management and key personnel. If the Issuer experiences a large number of retirements or departures of its oil and gas experts in a relatively short period of time, attracting and retaining a sufficient number of replacement personnel may be challenging. If the Issuer is unable to hire and retain senior management and key personnel with requisite skills and expertise, it could have a material adverse effect on the Issuer's business, prospects, financial condition or results of operations.

Moreover, the Issuer has developed controls to identify and investigate potential corruption and violations of anti-corruption laws, but has in the past experienced instances in which its employees have been accused of or arrested on charges of corruption. The Company continues to work with law enforcement and anti-corruption agencies to strengthen its oversight and controls to avoid instances of bribery or corruption, but there can be no assurance that the Issuer will not in the future experience instances in which its employees are subject to allegations or investigations from time to time. Whilst there are no current material investigations or accusations pending against the Issuer's senior management, future accusations of or arrests of the Issuer's employees for corruption, or perception of corruption on the part of its employees, could have a material adverse effect upon the reputation of the Issuer, which could, in turn, have a material adverse impact on the Issuer's business, prospects, financial condition, cash flows or results of operations.

**Risks relating to the region in which the Issuer operates**

***The Issuer exports a substantial portion of its crude oil and oil petroleum product to customers in certain regions, and adverse economic, political or legal developments in these regions could impact the Issuer's results of operations.***

The Group's results of operations are subject to economic, political and legal developments in the regions in which its customers are located, including Romania, other European countries and China. For the six months ended 30 June 2025, the Group's oil sales (by value) have been made to customers primarily based in Europe (82.16 per cent.), Romania (16.83 per cent.), and China (1.01 per cent.) and the Group's petroleum product sales were exports primarily to Europe (61.8 per cent.), China (34.83 per cent.), the Commonwealth of Independent States (0.49 per cent.) and Central Asian countries (2.88 per cent.) and the Group expects that a significant portion of the Group's sales will continue to be attributable to customers based in these regions. Accordingly, the economic, political and social conditions, as well as government policies, of these countries may affect the Group's business in many respects, including among others: (i) degree of government involvement; (ii) growth rate; (iii) control of foreign exchange and investment and (iv) allocation of resources.

Changes in political, economic and social conditions, laws, regulations and policies, or the Group's inability to sell its products into these regions on commercially viable terms or at all, could result in, for example, the Group incurring additional transport costs to ship its products to customers further afield or the Group otherwise needing to sell its products via brokers to new markets, each of which could result in lower margins for the Group. This could turn out to have a material adverse effect on the Group's business, prospects, financial condition, cash flows, results of operations and/or the price of the shares.

***The Group is largely dependent on the political, economic and geopolitical conditions prevailing in Kazakhstan.***

A majority of the Group's assets and operations are located in Kazakhstan. As a result of this geographic concentration, the Group is particularly sensitive to any change in the political environment in Kazakhstan as well as any weakness in the economy, including specifically the local oil and gas markets.

Since 1992, Kazakhstan has actively pursued a programme of economic reform designed to establish a free market economy through privatisation of Government-owned enterprises and deregulation and it is more advanced in this respect than some other countries of the former Soviet Union. However, as with any transition economy, there can be no assurance that such reforms will continue or that such reforms will achieve all or any of their intended

aims.

Kazakhstan depends on neighbouring states to access world markets for a number of its major exports, including oil and natural gas. Thus, Kazakhstan is dependent upon good relations with its neighbours to ensure its ability to export. Should access to these export routes be materially impaired, this could adversely impact the economy of Kazakhstan. Moreover, adverse economic factors in regional markets may adversely impact Kazakhstan's economy, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Government may also be subject to litigation or arbitration proceedings from time to time, which could impact its reputation or have an impact on Kazakhstan's economy and political conditions.

Additionally, any disruption of oil and gas production, transportation or refining in Kazakhstan for any reason, including as a result of terrorism, natural disaster, industrial accident, public health threats and global pandemics or change in national government policy, could have a material adverse effect on the Issuer's business, financial condition or results of operations.

Kazakhstan's economy and finances have continued to experience moderate levels of growth following the 2020 contraction of -2.5 per cent. According to Government statistics, real GDP growth was 3.2 per cent in 2022, 5.1 per cent in 2023 and 4.8 per cent in 2024. The International Monetary Fund forecasts real GDP at 5.0 per cent. in 2025. Since 2022, the Kazakhstani tenge has generally weakened against the U.S. dollar, moving from KZT 460.93 per U.S. dollar in 2022 to KZT 456.21 in 2023 and further to KZT 469.31 in 2024.

Kazakhstan has been provided a credit rating of "BBB-" (outlook stable) by S&P, "BBB" (outlook stable) by Fitch and "Baa1" (outlook stable) by Moody's. Any future negative changes to the outlook or rating downgrade is likely to result in a rating downgrade of the Issuer's ratings. Additionally, any future downgrade of Kazakhstan's sovereign credit rating and liquidity problems in Kazakhstan's economy could adversely affect its economic development, which could, in turn, materially and adversely affect the Issuer's prospects, business, financial condition and results of operations.

***The Group's business and results of operations may be adversely affected by the ongoing military conflict between Russia and Ukraine***

On 24 February 2022, Russia forces commenced an armed conflict against Ukraine. The situation in Eastern Europe, and sanctions imposed by governments in response, has led to significant volatility and disruption in the global credit and commodity markets and in the global economy. On 8 March 2022, the U.S. banned the import of Russian oil, liquefied natural gas, and coal. In September 2022 the UK announced a ban on provision of maritime services related to transportation of the Russian oil. In November 2022, the G7 member-countries announced they agreed on a price cap for Russian oil. Since 2022, sanctions regimes have continued to expand, including the introduction of secondary sanctions by the U.S. and EU targeting third-country entities and financial institutions that facilitate Russian oil trade or otherwise assist sanctioned Russian businesses. These measures have increased compliance risks for international counterparties, heightened the risk of restrictions on financial transactions, and created additional uncertainty for companies operating in or near Russia, including Kazakhstan. See "*Risks relating to the Issuer's business—Certain of the Issuer's customers and business associates are subject to U.S. and EU sanctions, the Issuer may in future be subject to sanctions, and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer.*"

The military conflict between Russia and Ukraine has initially also resulted in a drop of the price of the Urals crude oil and negatively affected the price of CPC blend crude oil (that includes the crude oil of certain projects of the Group: TCO, North Caspian Operating Company N.V. ("**NCOC**"), KPO and Russian producers using the CPC pipeline in particular). However, more recently global pricing agencies have started publishing separate quotes for Kazakh-origin oil, with such prices showing a stable trend. Although negative consequences of Tenge devaluation are mainly offset by an increase in foreign currency earnings, such devaluation driven by escalating tensions in the region and the external geopolitical situation may have a certain negative impact on the Group, which is required to repay borrowings in foreign currencies (as at 30 June 2025, the Group had borrowings in the amount of KZT 2,990.7 billion denominated in currencies other than Tenge), as well as increases in payments for services and goods expressed in foreign currencies.

Further, the Group is directly exposed to Russia and Russian entities in the following ways:

- *The Group exports oil through the CPC pipeline.* CPC (CPC-R and CPC-K) is a joint venture between Russia, Kazakhstan and other Russian and foreign partners, and it owns, operates and maintains the CPC pipeline

that transports oil from Kazakhstan to a terminal near the Russian port of Novorossiysk. In 2024, CPC transported approximately 81 per cent. of the total export volume from Kazakhstan to international markets. See “*Business—Transportation of Crude Oil—CPC pipeline System.*” If restrictions are placed on the transportation of crude oil from or via Russia, the Group’s business will be negatively affected. Although the Group has alternative transportation routes such routes will not be sufficient to replace the existing arrangements, to transport its products and its customers’ products to markets outside Kazakhstan. Given recent developments, the Issuer and its JV partners and associates are considering routes alternative to the CPC, including a Trans-Caspian Transportation Route, however, there can be no guarantee that such alternative routes will be implemented within a short period of time or that they will be reliable and efficient. See “— *Risks relating to the Issuer’s business—The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers’ products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer’s ability to deliver its products*”.

- *The Group is involved in other projects with Russian entities.* The Issuer is also involved in several joint ventures (including on behalf of the Government) with Russian companies, such as Tatneft, Lukoil, Gazprom, Rosneft NK PJSC (“**Rosneft**”) and SIBUR Holding PJSC (“**SIBUR**”). Some of these companies are subject to limited sectoral financing-related sanctions and sanctions on some of their senior management and some shareholders are imposed by the U.S., EU and the UK. Accordingly, the funding sources for these and other Russian companies will be limited should they require external financing to meet their future commitments under the existing or future joint venture projects with the Issuer, which could negatively impact these projects. For all projects involving Russian entities, an analysis of sanctions risks is carried out and the Issuer has the right to withdraw from the projects, should any of the Russian partners become subject to any sanctions.
- KTO has a contract with Rosneft for transit transportation of up to 10 million tonnes of Russian oil through its Atasu-Alashankou pipeline to China.
- The Group has historically maintained certain relationships with Russian banks: The Group has bank accounts in Asian-Pacific Bank and Moscombank, which are non-sanctioned banks in Russia. The accounts are used by KTO and KMG Systems & Services LLP for representative offices needs in Russia.

Currently, due to ongoing geopolitical uncertainty around Russia and Ukraine, in particular regarding how long the ongoing conflict will last or the future actions that may be taken by various governments going forward (such as any further expansion of sanctions or enforcement thereof), the Group is unable to fully determine the expected direct and indirect impact of the ongoing conflict on the Group’s business, prospects, financial condition, cash flows or results of operations. In the event that the armed conflict is prolonged, or there is a significant negative impact on oil and gas prices, currency devaluation, direct indirect impact of sanctions on partners or other factors that prevent the Group from conducting its normal business operations related to the ongoing conflict, there could be a material adverse impact on the Group’s business, prospects, financial condition, cash flows or results of operations.

***Currency control laws affect the Issuer’s foreign currency dealings.***

The Law of Kazakhstan No. 167-VI dated 2 July 2018 “On Currency Regulation and Currency Control”, as amended, empowers the Government, by special action and under circumstances when the economic stability of Kazakhstan is threatened, to introduce a special currency regime that would (i) require the compulsory sale of foreign currency received by Kazakhstan residents; (ii) require the placement of a certain portion of funds resulting from currency transactions into a non-interest bearing deposit in an authorised bank or the NBK; (iii) restrict the use of accounts in foreign banks; (iv) limit the term, volumes, amounts and currency of settlements under currency transactions; and (v) require a special permit from the NBK to conduct currency transactions. Moreover, the Government may impose other requirements and restrictions on currency transactions when the economic stability of Kazakhstan is threatened.

In order for Kazakhstan to remain in compliance with its membership obligations under the charter of the International Monetary Fund, the currency regime cannot restrict residents from repaying foreign currency-denominated obligations. As at the date of this Offering Memorandum, the Government has not invoked the aforesaid statutory provisions. Accordingly, it is unclear how any implementation of the new currency regime would ultimately impact the Issuer. However, any imposition of significant restrictions on the Issuer’s foreign currency dealings could have a material adverse effect on the Issuer’s business, prospects, financial condition or

results of operations.

***The Issuer cannot ensure the accuracy of official statistics and other data in this Offering Memorandum published by Government authorities.***

Official statistics and other data published by Government authorities may not be as complete or reliable as those of more developed countries. Official statistics and other data may also be produced on different bases from those used in more developed countries. The Issuer has not independently verified such official statistics and other data and any discussion of matters relating to Kazakhstan in this Offering Memorandum is, therefore, subject to uncertainty due to questions regarding the completeness or reliability of such information. Specifically, investors should be aware that certain statistical information and other data contained in this Offering Memorandum has been extracted from official Government sources and were not prepared in connection with the preparation of this Offering Memorandum.

In addition, certain information contained in this Offering Memorandum is based on the knowledge and research of the Issuer's management using information obtained from non-official sources. The Issuer has accurately reproduced such information and, so far as the Issuer is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. This information has not been independently verified and, therefore, is subject to uncertainties due to questions regarding the completeness or reliability of such information, which was not prepared in connection with the preparation of this Offering Memorandum.

***The Issuer is subject to regulatory and tax law requirements in Kazakhstan in connection with the offering and listing of the Notes, which are developing and subject to amendment from time to time***

The Constitutional Law of the Republic of Kazakhstan No. 438-V dated 7 December 2015 "On International Financial Center Astana", as amended (the "AIFC Law"), provides for certain tax exemptions in relation to securities included in the official securities list of the AIX. Thus, until 1 January 2066 interest paid on the securities and capital gains derived from sale of the securities are exempt from personal income tax and corporate tax in Kazakhstan, respectively, provided that such securities are included in the official securities list of the AIX at the date the interest is accrued thereto and at the date of the sale of such securities, respectively. The provisions of the AIFC Law in terms of tax benefits are broader than the provisions of the Tax Code or the New Tax Code (as applicable), which gives more flexibility and advantages to holders of the securities. Accordingly, if the Notes are listed only on the Kazakhstan Stock Exchange (the "KASE") or are delisted from the official securities list of the AIX for any reason, the holders of the Notes will not enjoy or will lose the tax benefits under the AIFC Law as described above and the holders of the Notes will fall under the statutory regime established by the Tax Code or the New Tax Code (as applicable). See "Kazakhstan Taxation."

In addition, the Issuer will need to comply with applicable Kazakhstan laws and regulations from time to time relating to the offering and placement of securities in the local market (including requirements relating to the proportion of Notes offered or sold locally and the manner in which such offering or placement is conducted). These requirements are subject to change and may be uncertain in their application. Failure to comply with such requirements, or any change in their interpretation or enforcement, may result in the imposition of penalties or other sanctions in respect of the Issuer by the relevant local authorities in Kazakhstan.

**Risks relating to the Notes**

***KMG's payment obligations under the Notes will be structurally subordinated to the creditors of KMG's subsidiaries, joint ventures and associates.***

KMG's subsidiaries, joint ventures and associates are separate and distinct legal entities and they have no obligation to pay any amounts due under the Notes or to necessarily make any funds available for that purpose, whether by dividends, distributions, loans or other payments.

In recent years, a significant amount of KMG's cash flows has been derived from dividends paid to KMG by its subsidiaries, joint ventures and associates; however, future dividends to KMG may decrease to the extent the subsidiaries, joint ventures and associates of KMG are required to fund capital expenditures or meet other costs or fines, including environmental fines, amongst other things, out of cash. KMG can give no assurance that future dividends from KMG's subsidiaries, joint ventures and associates, if forthcoming, will be of a similar magnitude as those received over the past few years.

Additionally, the Issuer's right to receive any assets of any of the Issuer's subsidiaries, joint ventures or associates upon their liquidation or reorganisation, and therefore the right of the holders of the Notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary, joint ventures or associate's creditors, including trade creditors. In addition, even if the Issuer were a creditor of any of its subsidiaries, joint ventures or associates, the Issuer's rights as a creditor would be subordinate to any security interest in the assets of the Issuer's subsidiaries, joint ventures or associates and any indebtedness of those entities senior to that held by the Issuer.

***Notes subject to optional redemption by the Issuer.***

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Notes issued at a substantial discount or premium.***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest bearing securities with comparable maturities.

***Interest rate risks exist because Notes have a fixed rate and the prevailing interest rates in the future may be higher than the fixed rate.***

The Notes Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

***The Issuer will need to arrange and maintain listing of Notes on the official securities list of the AIX in order for the holders of Notes to enjoy the tax exemptions provided under the AIFC Law***

The Constitutional Law of the Republic of Kazakhstan No. 438-V dated 7 December 2015 "On International Financial Center Astana", as amended (the "AIFC Law"), provides for certain tax exemptions in relation to securities included in the official securities list of the AIX. Thus, until 1 January 2066 interest paid on the securities and capital gains derived from sale of the securities are exempt from personal income tax and corporate tax in Kazakhstan, respectively, provided that such securities are included in the official securities list of the AIX at the date the interest is accrued thereto and at the date of the sale of such securities, respectively. The provisions of the AIFC Law in terms of tax benefits are broader than the provisions of the Tax Code or the New Tax Code (as applicable), which gives more flexibility and advantages to holders of the securities. Accordingly, if the Notes are listed only on the Kazakhstan Stock Exchange (the "KASE") or are delisted from the official securities list of the AIX for any reason, the holders of the Notes will not enjoy or will lose the tax benefits under the AIFC Law as described above and the holders of the Notes will fall under the statutory regime established by the Tax Code or the New Tax Code (as applicable). See "Taxation".

***Trading in the clearing systems.***

The Terms and Conditions of the Notes provide that Notes shall be issued with a minimum denomination of CNY1,000,000 (in the case of Notes denominated in Renminbi) or €100,000 (in the case of Notes denominated in currencies other than Renminbi) or its equivalent in another currency and integral multiples of an amount in excess thereof in the relevant Specified Currency. Where Notes are traded in a clearing system, it is possible that the clearing systems may process trades, which could result in amounts being held in denominations smaller than the minimum denominations specified in the relevant Pricing Supplement related to an issue of Notes. If Definitive Notes are required to be issued in relation to such Notes in accordance with the provisions of the terms of the relevant Global Notes, a holder who does not have an integral multiple of the minimum denomination in his account with the relevant clearing system at the relevant time may not receive all of its entitlement in the form of Definitive Notes unless and until such time as its holding becomes an integral multiple of the minimum denomination.

***An active trading market for Notes may not develop.***

Notes issued under the Programme may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Application has been made to the Hong Kong Stock Exchange for the listing of the Programme by way of debt issues to Professional Investors only during the 12-month period after the date of this Offering Memorandum on the Hong Kong Stock Exchange. In addition, unless otherwise agreed with the relevant Dealer(s) and provided for in the Pricing Supplement, the Issuer will cause all Notes issued under the Programme to be admitted to the “bonds” category of the “debt securities” sector of the “main” platform of the official list of the AIX, the stock exchange acting on the territory of the Astana International Financial Centre (“AIFC”). There is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the liquidity of any market for Notes will depend on the number of holders of Notes, the interest of securities dealers in making a market in Notes and other factors. Accordingly, there can be no assurance as to the development or liquidity of any market for Notes.

The AIX was launched in July 2018 and has a limited history of operations. There may be no assurance that the AIX will attract a sufficient number of market participants and issuers to ensure acceptable trading volumes in the foreseeable future or at all. Moreover, the technological platform of AIX remains relatively untested.

In addition, unless exempted from this requirement by applicable laws, acts or regulations in Kazakhstan, simultaneously with any offering of Notes outside of the Republic of Kazakhstan, not less than 20 per cent. of the aggregate principal amount of any series of Notes must be offered and placed through the KASE and/or the AIX on the same terms on which such Notes are being offered outside of the Republic of Kazakhstan.

***The market price of Notes may be volatile.***

The market price of Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer’s operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors, including the trading market for notes issued by or on behalf of Kazakhstan as a sovereign borrower. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of Notes without regard to the Issuer’s business, prospects, financial condition, cash flows or results of operations. Factors including increased competition, fluctuations in commodity prices or the Issuer’s operating results, the regulatory environment, availability of reserves, general market conditions, natural disasters, terrorist attacks and war may have an adverse effect on the market price of Notes.

***Financial turmoil in emerging markets may lead to unstable pricing of Notes.***

The market price of Notes is influenced by economic and market conditions in Kazakhstan and, to a varying degree, economic and market conditions in other CIS countries and emerging markets generally. Financial turmoil in other emerging markets in the past has adversely affected market prices in the world’s securities markets for companies that operate in those and other developing economies. Even if Kazakhstan’s economy remains relatively stable, financial turmoil in other emerging markets could materially adversely affect the market price of Notes.

***Insolvency laws in Kazakhstan may not be as favourable to holders of Notes as English or U.S. insolvency laws or those of another jurisdiction with which the Noteholders may be familiar.***

The Issuer is organised in Kazakhstan and is subject to the bankruptcy law of Kazakhstan. Kazakhstan bankruptcy law may prohibit the Issuer from making payments under the Notes under certain circumstances. From the moment bankruptcy proceedings are initiated in court, a Kazakhstan debtor is prohibited from paying any debts outstanding prior to the bankruptcy proceedings, subject to specified exceptions.



After the initiation of bankruptcy procedure, creditors of the debtor may pursue any legal action, including legal action against the debtor only within the framework of bankruptcy procedures subject to certain exceptions. Contractual provisions, such as those contained in the Notes, which would accelerate the payment of the debtor's obligations upon the occurrence of certain bankruptcy events, would accelerate the amount due but each accelerated amount becomes part of the total liabilities within the proper priority class.

Specifically, Kazakhstan bankruptcy law provides that transactions of a debtor can be recognised as invalid if they are entered into or made within three years prior to the institution of the bankruptcy or rehabilitation proceedings and contain elements which can form the grounds of invalidation under the Civil Code of the Republic of Kazakhstan (“**Civil Code**”) or contain the following elements: (i) the price of the transaction or other conditions which are more onerous for the debtor than the price and conditions for similar transactions in the market concluded under similar circumstances; (ii) transactions that are beyond the framework of activities authorised for the debtor by the law, its constituent documents or the competence of the corporate bodies of the debtor; (iii) assets transferred free of charge or at price which was worse for the debtor than a price of identical or similar goods under similar economic circumstances or without grounds for transfer infringing the interests of the creditors; (iv) transactions were entered into six months before the institution of the bankruptcy or rehabilitation proceedings and resulted in preferential payments to certain creditors; (v) the debtor has gifted its assets if such transaction differs significantly from the transactions entered into during the year preceding the institution of bankruptcy or rehabilitation proceedings, and (vi) transaction concluded without the intent to create relevant legal consequences under such transaction, infringing the interests of the creditors. Considering that Kazakhstan's courts do not have extensive experience dealing with complex commercial issues, including in connection with payments to foreign holders of securities of Kazakhstan issuers, it is not possible to predict or deduce the possible outcome of bankruptcy proceedings in this regard and the value of the investment in the Notes may be materially and adversely affected.

***Exchange rate risks exist to the extent payments in respect of Notes are made in a currency other than the currency in which an investor's activities are denominated.***

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the “**Investor's Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. In addition, such risks generally depend on economic and political events over which the Issuer has no control. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (i) the Investor's Currency equivalent yield on the Notes; (ii) the Investor's Currency equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate as well as the availability of a specified foreign currency at the time of payment of principal or interest, if any, on Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Note not denominated in U.S. Dollars would not be available at the maturity of a series of Notes. In that event, the Issuer would make required payments in U.S. Dollars on the basis of the market exchange rate on the date of such payment, or if such rate of exchange is not then available, on the basis of the market exchange rate as at the most recent practicable date.

***Credit ratings do not reflect all risks.***

The Issuer's credit ratings are an assessment by the relevant rating agencies of its ability to pay its debts when due. Consequently, real or anticipated changes in its credit ratings will generally affect the market value of the Notes. One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure and marketing of Notes issued under this Offering Memorandum, and other factors that may affect the value of the Notes. Further, the credit ratings assigned to the Issuer or the Notes may change in future. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

***It may be difficult to effect service of legal process and enforce judgments obtained outside of Kazakhstan against the Issuer and its management.***

The Issuer is a company organised under the laws of Kazakhstan and a substantial part of its businesses, assets and operations are located in Kazakhstan. In addition, a substantial majority of its directors and executive officers reside in Kazakhstan and substantially all of their assets are located in Kazakhstan. As a result, it may not be possible to effect service of process elsewhere outside Kazakhstan upon the Issuer or such directors or executive officers.

Moreover, Kazakhstan's courts will not enforce any judgment of a court established in a country other than Kazakhstan unless: (i) there is in effect a treaty between such country and Kazakhstan providing for reciprocal enforcement of judgments and then only in accordance with the terms of such treaty; or (ii) there is a proved reciprocity in enforcement of judgments of Kazakhstan courts in that country, which can be very hard or impossible to prove. There is no such treaty in effect between Kazakhstan and the United Kingdom. However, each of Kazakhstan and the United Kingdom are parties to the 1958 New York convention on Recognition and Enforcement of Arbitral Awards and, accordingly, an arbitration award should be recognised and enforceable in Kazakhstan provided the conditions of enforcement set out in such Convention and applicable Kazakhstan laws are met. See "*Enforcement of Foreign Judgments*".

On 8 April 2016, the Arbitration Law was signed by the President of Kazakhstan. Whilst the introductory language to the Arbitration Law, as well as other provisions of this law, imply that the Arbitration Law should only apply where the matter involves dispute resolution in Kazakhstan (i.e., in respect of arbitration bodies with a seat in Kazakhstan) and should not apply to foreign arbitration such as the LCIA with a seat outside of Kazakhstan. In particular, the preamble to the Arbitration Law 20 states that: "This law regulates social relations arisen in the process of arbitration activity on the territory of the Republic of Kazakhstan as well as the procedure and terms of recognition and enforcement of arbitral awards in Kazakhstan...".

There are, however, certain provisions in the Arbitration Law which may have implications (as described below) in respect of the arbitration provisions contained in the Notes, the Agency Agreement and the Trust Deed. In particular, the provisions of the Arbitration Law do not clearly differentiate between domestic and foreign arbitration. However, given that there is no well developed practice in Kazakhstan on the application of the Arbitration Law, there can be no assurance that Kazakhstan courts would support the interpretation of the Arbitration Law set out in "*Enforcement of Foreign Judgments and Arbitral Awards*" section and that an award against the Issuer in arbitral proceedings in London under English law would be enforced in Kazakhstan. If the Arbitration Law applies to disputes under the Notes and the Trust Deed, there is a risk that an LCIA award in a proceeding related to the Notes and the Trust Deed may not be recognised and enforced in Kazakhstan as being contrary to Kazakhstan public order and/or a dispute under the Notes and the Trust Deed cannot be resolved by arbitration. Furthermore, an event of default could occur under the Notes and the Trust Deed to the extent that the Issuer's obligations under the Notes and/or the Trust Deed to settle disputes by arbitration in the LCIA and/or under English law become illegal or unenforceable.

***Return on an investment in Notes will be affected by charges incurred by investors.***

An investor's total return on an investment in any Notes will be affected by the level of fees charged by any Agent, nominee service provider and/or clearing system used by the investor. Such a person or institution may charge fees for the opening and operation of an investment account, transfers of Notes, custody services and on payments of interest and principal. Potential investors are, therefore, advised to investigate the basis on which any such fees will be charged on the relevant Notes.

***English law governs Notes and all agreements under the Programme.***

Prospective investors should note that each Series of Notes will be governed by and construed in accordance with the laws of England and that the courts of England or arbitration proceedings in accordance with the Rules of the LCIA (solely for the purpose of any legal action or proceeding brought to enforce the Issuer's obligations under this Offering Memorandum) shall have exclusive jurisdiction in respect of any disputes involving the Notes. English law may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes. If a prospective investor is in doubt as to the implication of English law being the governing law in respect of the Notes, such investor should consult its legal advisors.

No assurance can be given as to the impact of any possible judicial decision or changes in English law or administrative practice after the date of this Offering Memorandum. See “—It may be difficult to effect service of legal process and enforce judgments obtained outside of Kazakhstan against the Issuer and its management”.

***Provisions of Notes permit defined majorities to bind all Noteholders and the Trustee to take certain action without Noteholder consent.***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders (but subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), agree to: (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes; (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such; or (iii) the substitution of the Issuer or any of its Subsidiaries as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15(c).

***The protection afforded by the negative pledge contained in the Terms and Conditions of the Notes is limited, which may adversely affect the value of investments in the Notes.***

The Issuer has agreed in Condition 4 of the Terms and Conditions of the Notes not to, and not to permit any Material Subsidiary (as defined in the Terms and Conditions of the Notes) to, create, incur, assume or suffer to exist any Security Interest other than a Permitted Security Interest (each as defined in the Terms and Conditions of the Notes) upon the whole or any part of its undertaking, property, assets or revenues, present or future, to secure for the benefit of the holders of any Relevant Indebtedness (as defined in the Terms and Conditions of the Notes) any payment in any sum due in respect of any Relevant Indebtedness without procuring that the notes (x) are secured equally and rateably with such Relevant Indebtedness or (y) have the benefit of such other guarantee, indemnity or other like obligations or such other security (in each case) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders. The application of this negative pledge and the protection that it affords to holders of the notes, however, is limited. For example, the definition of Relevant Indebtedness is limited to present or future Indebtedness (as defined in the Terms and Conditions of the Notes) in the form of, or represented by, notes, debentures, bonds or other similar capital market instruments which is ordinarily quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market. In addition, pursuant to an exemption from the negative pledge, the Issuer will be permitted to secure an aggregate amount of Relevant Indebtedness not exceeding 20 per cent. of the value of consolidated total assets, as determined by reference to the most recently available consolidated financial statements prepared in accordance with IFRS of the Issuer, without any obligation to afford any equal and ratable security to holders of the Notes. As a result, the Issuer will be permitted to secure a range of other forms of Indebtedness and may also create security in respect of a significant amount of Relevant Indebtedness without, at the same time, being obliged to grant equal and ratable security in respect of the Notes which may adversely affect the value of an investment in the Notes and/or cause holders of the Notes to rank in terms of priority behind such secured creditors.

***Payments made in respect of Notes may be subject to withholding tax and have other tax consequences for investors.***

Generally, payments of interest on borrowed funds made by a Kazakhstan entity to a non-resident are subject to Kazakhstan withholding tax at the rate of 15 per cent. under the Tax Code (or 10 per cent. under the New Tax Code which shall enter in force from 1 January 2026) for legal entities, unless (i) such withholding tax is reduced or eliminated pursuant to the terms of an applicable double tax treaty or (ii) the interest is payable under the Notes, which are listed, as at the date of accrual of interest, on the official list of a stock exchange operating in the territory of Kazakhstan (such as, the KASE or the AIX). See “Kazakhstan Taxation”,

If payments in respect of any Notes are subject to withholding of Kazakhstan tax as a result of which the Issuer would reduce such payments by the amount of such withholding, the Issuer is obliged to increase payments as may be necessary so that the net payments received by holders of Notes will not be less than the amounts they would have received in the absence of such withholding. It should be noted, however, that tax indemnity provisions and indemnities for costs or expenses that may include taxes payable in connection therewith may not

be enforceable under Kazakhstan law where such provisions may be viewed by the Kazakhstan tax authorities as constituting payments of taxes on behalf of third parties.

### **Risks related to Renminbi denominated Notes**

***Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and out of China which may adversely affect the liquidity of Notes denominated in Renminbi.***

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies. However, there has been significant reduction in control by the PRC government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into China for the settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in China on the remittance of Renminbi into China for settlement of capital account items are being developed.

Although the Renminbi has been included in the Special Drawing Rights basket created by the International Monetary Fund since 1 October 2016, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in China will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of China. In the event that funds cannot be repatriated out of China in Renminbi, this may affect the overall availability of Renminbi outside China and the ability of the Issuer to source Renminbi to finance its obligations under Notes denominated in Renminbi.

***There is only limited availability of Renminbi outside China, which may affect the liquidity of Notes denominated in Renminbi and the Issuer's ability to source Renminbi outside China to service Renminbi denominated Notes.***

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside China is limited. While People's Bank of China (the "PBOC") has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "Renminbi Clearing Banks"), including but not limited to Hong Kong and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "Settlement Arrangements"), the current size of Renminbi denominated financial assets outside China is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside China to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside China. The limited availability of Renminbi outside China may affect the liquidity of Notes denominated in Renminbi. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi denominated Notes (the "Renminbi Notes"), there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

***Investment in Notes denominated in Renminbi is subject to exchange rate risks.***

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in China and international political and economic conditions as well as many other factors. In 2015, the PBOC

implemented further changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of Notes denominated in Renminbi in that foreign currency will decline. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of Notes denominated in Renminbi below their stated coupon rates and could result in a loss when the return on Notes denominated in Renminbi is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

***Payments with respect to Notes denominated in Renminbi may be made only in the manner designated in Notes denominated in Renminbi.***

All payments to investors in respect of Notes denominated in Renminbi will be made solely (i) for so long as Notes denominated in Renminbi are represented by Global Notes lodged with a sub-custodian for or registered with the CMU, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (ii) for so long as Notes denominated in Renminbi are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or a financial centre in which an Renminbi Clearing Bank clears and settles Renminbi, if so specified in the Pricing Supplement in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

***Gains on the transfer of Notes denominated in Renminbi may become subject to income taxes under PRC tax laws.***

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non PRC resident enterprise or individual Holders may be subject to PRC enterprise income tax (“EIT”) or PRC individual income tax (“IIT”) if such gain is regarded as income derived from sources within China. The PRC Enterprise Income Tax Law levies EIT at the rate of 20.0 per cent. of the gains derived by such non-PRC resident enterprise Holders from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10.0 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20.0 per cent. of the gains derived by such non-PRC individual Holders from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders would be treated as income derived from sources within China and become subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income between China and Hong Kong (“**Double Tax Arrangement**”), for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise Holders and individual Holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of Notes denominated in Renminbi.

Therefore, if non-PRC enterprise or individual resident Holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident Holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

***Remittance of proceeds in Renminbi into or out of China.***

In the event that the Issuer decides to remit some or all of the proceeds from the Notes into China in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside China. In the event that the Issuer does remit some or all of the proceeds into China in Renminbi and the Issuer subsequently is not able to repatriate funds out of China in Renminbi, it will need to source Renminbi outside China to finance its obligations under Notes denominated in Renminbi, and its ability to do so will be subject to the overall availability of Renminbi outside China.

## OVERVIEW OF THE PROGRAMME

*The following general description does not purport to be complete and is qualified in its entirety by the remainder of this Offering Memorandum. Words and expressions defined in “Overview of the Provisions Relating to the Notes in Global Form” or “Terms and Conditions of Notes” below shall have the same meanings in this general description.*

**Issuer**..... Joint Stock Company "National Company" "KazMunayGas"

**Legal Entity Identifier (LEI)** ..... 2138001H1M69RFJCSH88.

**Arrangers** ..... Bank of China (Hong Kong) Limited, BOCI Asia Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Limited.

**Dealers** ..... Bank of China (Hong Kong) Limited, BOCI Asia Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Limited.

**Trustee** ..... Bank of China (Hong Kong) Limited

**Principal Paying Agent, Transfer Agent, Calculation Agent and CMU Lodging and Paying Agent** ..... Bank of China (Hong Kong) Limited

**Registrar** ..... Bank of China (Hong Kong) Limited

**Programme Size** ..... CNY10,000,000,000 (or its equivalent in other currencies calculated in accordance with the provisions of the Dealer Agreement) outstanding at any time. The Issuer may increase the amount of the Programme at any time in accordance with the Dealer Agreement.

**Issuance** ..... Notes will be issued on a syndicated or non-syndicated basis. Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.

Each Tranche will be the subject of Pricing Supplement which, for the purposes of that Tranche only, completes the Conditions of the Notes and this Offering Memorandum and must be read in conjunction with this Offering Memorandum. The terms and conditions applicable to any particular Tranche of Notes are the Conditions of the Notes as completed by the relevant Pricing Supplement.

See “Terms and Conditions of the Notes—Condition 1. Form, Denomination and Title” and “Form of Pricing Supplement”.

**AIX Authorisations**..... If the Notes are listed on the AIX, the Issuer needs to obtain (i) AIX approval of the programme under the Offering Memorandum as required by the AIX rules, as the case may be and (ii) AIX approval for the admission of the Notes to the official list and admission to trading on the AIX

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Forms of Notes</b> .....      | Each Series of Notes will be issued in registered form only. The Global Notes will be exchangeable for Definitive Notes (as defined herein) in the limited circumstances specified in the Global Notes.<br><br>See “ <i>Terms and Conditions of the Notes—Condition 1. Form, Denomination and Title</i> ”.                                                                                                                                                                                               |
| <b>Clearing Systems</b> .....    | The CMU, Euroclear, Clearstream, Luxembourg, AIX CSD and such other clearing system as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s).<br><br>See “ <i>Overview of the Provisions Relating to the Notes in Global Form</i> ”.                                                                                                                                                                                                                      |
| <b>Currencies</b> .....          | Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, as specified in the relevant Pricing Supplement. Payments in respect of Notes may, subject to such compliance, be made in, and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.<br><br>See “ <i>Form of Pricing Supplement</i> ”.                                                       |
| <b>Status of the Notes</b> ..... | The Notes will constitute direct, general, unconditional and (subject to Condition 4) unsecured obligations of the Issuer which rank and will rank <i>pari passu</i> amongst themselves and <i>pari passu</i> in right of payment with all other present and future unsubordinated obligations of the Issuer, save only for such obligations as may be preferred by mandatory provisions of applicable law.<br><br>See “ <i>Terms and Conditions of the Notes—Condition 3(a). Status of the Notes</i> ”. |
| <b>Issue Price</b> .....         | Notes may be issued at any price, as specified in the relevant Pricing Supplement.<br><br>See “ <i>Form of Pricing Supplement</i> ”.                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Maturities</b> .....          | Any maturity, as specified in the relevant Pricing Supplement, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.<br><br>See “ <i>Terms and Conditions of the Notes—Condition 10. Redemption, Purchase and Options</i> ” and “ <i>Form of Pricing Supplement</i> ”.                                                                                                                                                |
| <b>Redemption</b> .....          | Notes may be redeemable at par or at such other Redemption Amount as may be specified in the relevant Pricing Supplement. Notes may also be redeemable on such dates as may be specified in the relevant Pricing Supplement.<br><br>See “ <i>Terms and Conditions of the Notes—Condition 10. Redemption, Purchase and Options</i> ” and “ <i>Form of Pricing Supplement</i> ”.                                                                                                                           |
| <b>Optional Redemption</b> ..... | Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) or the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement.<br><br>Notes may also be redeemed at the option of the Noteholder upon the occurrence of a Change of Control (as defined in Condition 10(c)).                                                                                                                                                     |



The Issuer may at its option redeem Notes in any Series in whole but not in part in accordance with Condition 10(e) (*Make-Whole Redemption at the Option of the Issuer*) and in whole or in part in accordance with Condition 10(f) (*Optional Redemption at Par*).

See “*Terms and Conditions of the Notes—Condition 10. Redemption, Purchase and Options*” and “*Form of Pricing Supplement*”.

**Tax Redemption**..... Except as described in “*Optional Redemption*” above or following an Event of Default, early redemption will only be permitted for taxation reasons as described in Condition 10(b).

See “*Terms and Conditions of the Notes—Condition 10(b). Redemption for Taxation Reasons*”.

**Denominations** ..... The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) save that the minimum denomination of each Note will be such amount as may be allowed or required from time-to-time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency and save that the minimum denomination of each Note will be CNY1,000,000 (in the case of Notes denominated in Renminbi) or €100,000 (in the case of Notes denominated in currencies other than Renminbi).

However, for so long as the Notes are represented by a Global Note, and the relevant clearing system(s) so permit, the Notes shall be tradeable only in the minimum authorised denomination of CNY1,000,000 (in the case of Notes denominated in Renminbi) or €100,000 (in the case of Notes denominated in currencies other than Renminbi) and higher integral multiples of any smaller amount specified in the relevant Pricing Supplement.

Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 or its equivalent in another currency.

See “*Terms and Conditions of the Notes—Condition 1. Form, Denomination and Title*”.

**Interest**..... Notes may be interest bearing or non-interest bearing. Unless otherwise agreed with the relevant Dealer(s), Interest shall accrue at a fixed rate.

Interest will be payable in arrear on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

See “*Terms and Conditions of the Notes—Condition 9. Interest and other Calculations*” and “*Form of Pricing Supplement*”.

**Ratings**..... Tranches of Notes may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

**Negative Pledge**..... The Notes will have the benefit of a negative pledge.

See “*Terms and Conditions of the Notes—Condition 4. Negative Pledge*”.

**Covenants** ..... The Notes will have the benefit of the following covenants: (i) limitation on sales of assets; (ii) financial information; (iii) reorganisations; and (iv) change of business.

See “*Terms and Conditions of the Notes*”.

**Cross Default**..... The Notes will have the benefit of a cross default clause.

See “*Terms and Conditions of the Notes—Condition 14(c). Cross—acceleration*”.

**Taxation**..... All payments in respect of Notes will be made free and clear of withholding taxes of Kazakhstan unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 12) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

Payments of interest from the Issuer to non-resident holders will be subject to withholding tax at a rate of 15 per cent. under the Tax Code (10 per cent. under the New Tax Code), unless reduced by an applicable double taxation treaty. The withholding tax on interest would not apply if the Notes are, as at the date of accrual of such interest, admitted on the official list of a stock exchange operating in the territory of Kazakhstan (such as the AIX).

See “*Taxation—Kazakhstan Taxation*”.

In the event that any taxes, duties, assessments or governmental charges are imposed, levied, collected, withheld or assessed by Kazakhstan or any political subdivision or any authority thereof or therein having the power to tax on payments of principal and interest in respect of the Notes, the Issuer will, subject to certain exceptions and limitations, pay such additional amounts to the holder of any Note as will result in receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction on account of any such taxes had been required.

See “*Terms and Conditions of the Notes—Condition 12. Taxation*”.

**Governing Law** ..... English law.

See “*Terms and Conditions of the Notes—Condition 22(a). Governing Law*”.

**Listing** ..... Application has been made to list the Programme on the Hong Kong Stock Exchange during the 12-month period after the date of this Offering Memorandum, under which Notes may be issued by way of debt issues to Professional Investors only. Separate application will be made for the listing of, and permission to deal in, Notes issued under the Programme on the Hong Kong Stock Exchange. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series.

Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s).

In addition, unless otherwise agreed with the relevant Dealer(s) and provided for in the Pricing Supplements, the Issuer will use its reasonable endeavours to cause all Notes issued by the Issuer under the Programme to be admitted

to the “exempt bonds” admission type of the official list of the AIXas from (and including) the Issue Date.

**Selling Restrictions** ..... The offering and sale of Notes is subject to applicable laws and regulation, including, without limitation, those of the United States, Kazakhstan, Hong Kong, PRC, Singapore, the European Economic Area and the United Kingdom.

See “*Subscription and Sale*”.

**Risk Factors** ..... Investing in the Notes involves a high degree of risk.

See “*Risk Factors*”.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used by the Issuer for its general corporate purposes, which may include refinancing, retiring or otherwise restructuring existing indebtedness.

## SELECTED FINANCIAL INFORMATION

The financial information set forth below as at and for the six-month periods ended 30 June 2025 and for the years ended 31 December 2024, 2023 and 2022 has been extracted without material adjustment from the Financial Statements and Interim Financial Statements. The financial data set forth below should be read in conjunction with, and is qualified in its entirety by reference to, the Financial Statements and Interim Financial Statements and related notes included elsewhere in this Offering Memorandum.

Prospective investors should read the selected consolidated financial information in conjunction with the information contained in the “Risk Factors”, “Business”, the Financial Statements and Interim Financial Statements, including the notes thereto, and other financial data appearing elsewhere in this Offering Memorandum.

### Consolidated Statement of Financial Position

|                                                                   | As at 30 June     | As at 31 December |                                |                                |
|-------------------------------------------------------------------|-------------------|-------------------|--------------------------------|--------------------------------|
|                                                                   | 2025              | 2024              | 2023 (restated) <sup>(1)</sup> | 2022 (restated) <sup>(2)</sup> |
|                                                                   | (unaudited)       |                   | (audited)                      |                                |
| (in millions of Tenge, except per share amounts)                  |                   |                   |                                |                                |
| <b>Assets</b>                                                     |                   |                   |                                |                                |
| <b>Non-current assets</b>                                         |                   |                   |                                |                                |
| Exploration and evaluation assets .....                           | 225,423           | 216,448           | 174,187                        | 251,280                        |
| Property, plant and equipment .....                               | 7,681,957         | 7,834,160         | 7,171,242                      | 6,994,001                      |
| Investment property .....                                         | 8,674             | 12,374            | 19,383                         | 17,304                         |
| Intangible assets.....                                            | 919,789           | 943,156           | 883,283                        | 918,261                        |
| Right-of-use assets.....                                          | 115,824           | 122,991           | 101,765                        | 76,567                         |
| Investments in joint ventures and associates                      | 5,162,334         | 5,378,513         | 4,821,427                      | 4,947,403                      |
| VAT receivable.....                                               | 26,685            | 30,396            | 30,360                         | 16,760                         |
| Advances for non-current assets .....                             | 97,481            | 88,216            | 50,954                         | 52,982                         |
| Other non-current non-financial assets.....                       | 7,621             | 7,767             | 4,192                          | 3,713                          |
| Loans and receivables due from related parties.....               | 158,876           | 121,673           | 94,334                         | 129,857                        |
| Other non-current financial assets.....                           | 51,127            | 48,249            | 23,217                         | 10,672                         |
| Long-term bank deposits.....                                      | 74,070            | 74,329            | 63,891                         | 59,229                         |
| Deferred income tax assets .....                                  | 42,491            | 50,705            | 65,829                         | 41,598                         |
|                                                                   | <b>14,572,352</b> | <b>14,928,977</b> | <b>13,504,064</b>              | <b>13,519,627</b>              |
| <b>Current assets</b>                                             |                   |                   |                                |                                |
| Inventories .....                                                 | 345,082           | 413,741           | 376,444                        | 310,764                        |
| Trade accounts receivable.....                                    | 720,895           | 443,057           | 561,258                        | 519,684                        |
| VAT receivable.....                                               | 43,323            | 48,408            | 60,523                         | 42,762                         |
| Income tax prepaid.....                                           | 37,526            | 41,170            | 33,051                         | 36,167                         |
| Other current non-financial assets .....                          | 192,267           | 180,754           | 157,257                        | 109,173                        |
| Loans and receivables due from related parties.....               | 61,808            | 84,240            | 125,569                        | 119,874                        |
| Other current financial assets .....                              | 65,000            | 63,528            | 74,870                         | 57,057                         |
| Short-term bank deposits .....                                    | 1,214,486         | 1,513,816         | 997,012                        | 1,178,138                      |
| Cash and cash equivalents.....                                    | 1,800,627         | 1,216,451         | 1,050,873                      | 763,185                        |
|                                                                   | <b>4,481,014</b>  | <b>4,005,165</b>  | <b>3,436,857</b>               | <b>3,136,804</b>               |
| Assets classified as held for sale .....                          | 500               | 505               | 180                            | 459                            |
|                                                                   | <b>4,481,514</b>  | <b>4,005,670</b>  | <b>3,437,037</b>               | <b>3,137,263</b>               |
| <b>Total assets .....</b>                                         | <b>19,053,866</b> | <b>18,934,647</b> | <b>16,941,101</b>              | <b>16,656,890</b>              |
| <b>Equity and liabilities</b>                                     |                   |                   |                                |                                |
| <b>Equity</b>                                                     |                   |                   |                                |                                |
| Share capital .....                                               | 916,541           | 916,541           | 916,541                        | 916,541                        |
| Additional paid-in capital .....                                  | 1,142             | 1,142             | 1,142                          | 1,142                          |
| Other equity .....                                                | (5,273)           | (2,373)           | (910)                          | (1,759)                        |
| Currency translation reserve .....                                | 5,037,577         | 5,132,868         | 4,090,281                      | 4,209,612                      |
| Retained earnings .....                                           | 6,219,180         | 5,985,894         | 5,488,964                      | 4,803,431                      |
| <b>Attributable to equity holders of the Parent Company .....</b> | <b>12,169,167</b> | <b>12,034,072</b> | <b>10,496,018</b>              | <b>9,928,967</b>               |

|                                                                    | As at 30 June       | As at 31 December |                                             |                                |
|--------------------------------------------------------------------|---------------------|-------------------|---------------------------------------------|--------------------------------|
|                                                                    | 2025<br>(unaudited) | 2024              | 2023 (restated) <sup>(1)</sup><br>(audited) | 2022 (restated) <sup>(2)</sup> |
| (in millions of Tenge, except per share amounts)                   |                     |                   |                                             |                                |
| Non-controlling interests .....                                    | (115,016)           | (109,788)         | (99,404)                                    | (61,541)                       |
| <b>Total equity .....</b>                                          | <b>12,054,151</b>   | <b>11,924,284</b> | <b>10,396,614</b>                           | <b>9,867,426</b>               |
| <b>Non-current liabilities</b>                                     |                     |                   |                                             |                                |
| Borrowings .....                                                   | 3,385,569           | 3,644,111         | 3,365,736                                   | 3,784,897                      |
| Lease liabilities .....                                            | 108,953             | 103,334           | 87,880                                      | 65,872                         |
| Other non-current financial liabilities .....                      | 8,523               | 7,096             | 18,743                                      | 15,080                         |
| Provisions .....                                                   | 307,731             | 308,129           | 306,219                                     | 210,765                        |
| Employee benefit liabilities .....                                 | 76,220              | 75,999            | 70,975                                      | 66,097                         |
| Other non-current non-financial liabilities .....                  | 33,963              | 36,175            | 37,777                                      | 41,548                         |
| Deferred income tax liabilities .....                              | 1,340,519           | 1,391,836         | 1,122,939                                   | 999,010                        |
|                                                                    | <b>5,261,478</b>    | <b>5,566,680</b>  | <b>5,010,269</b>                            | <b>5,183,269</b>               |
| <b>Current liabilities</b>                                         |                     |                   |                                             |                                |
| Trade accounts payable .....                                       | 595,974             | 598,787           | 663,930                                     | 565,092                        |
| Borrowings .....                                                   | 506,780             | 323,290           | 391,358                                     | 369,489                        |
| Lease liabilities .....                                            | 17,780              | 20,882            | 17,400                                      | 15,682                         |
| Other current financial liabilities .....                          | 225,990             | 169,150           | 145,953                                     | 283,820                        |
| Provisions .....                                                   | 22,206              | 19,524            | 33,576                                      | 58,779                         |
| Employee benefit liabilities .....                                 | 6,259               | 6,516             | 5,703                                       | 4,969                          |
| Income tax payable .....                                           | 21,938              | 15,600            | 28,285                                      | 66,648                         |
| Other taxes payable .....                                          | 168,784             | 83,631            | 116,500                                     | 148,497                        |
| Other current non-financial liabilities .....                      | 172,526             | 206,303           | 131,513                                     | 93,219                         |
|                                                                    | <b>1,738,237</b>    | <b>1,443,683</b>  | <b>1,534,218</b>                            | <b>1,606,195</b>               |
| <b>Total liabilities .....</b>                                     | <b>6,999,715</b>    | <b>7,010,363</b>  | <b>6,544,487</b>                            | <b>6,789,464</b>               |
| <b>Total equity and liabilities .....</b>                          | <b>19,053,866</b>   | <b>18,934,647</b> | <b>16,941,101</b>                           | <b>16,656,890</b>              |
| <b>Book value per ordinary share (in thousands of Tenge) .....</b> | <b>18.249</b>       | <b>17.998</b>     | <b>15.593</b>                               | <b>14.668</b>                  |

**Notes:**

- (1) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December, 2023, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2023. For more details, refer to Note 6 included in the financial statements for the year ended 31 December, 2024.
- (2) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December, 2022, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2022. For more details, refer to Note 7 included in the financial statements for the year ended 31 December, 2023.

**Consolidated Statement of Comprehensive Income**

|                                                                       | For six months ended 30 June |                  | For the year ended 31 December |                                             |                                |
|-----------------------------------------------------------------------|------------------------------|------------------|--------------------------------|---------------------------------------------|--------------------------------|
|                                                                       | 2025<br>(unaudited)          | 2024             | 2024                           | 2023 (restated) <sup>(1)</sup><br>(audited) | 2022 (restated) <sup>(2)</sup> |
| (in millions of Tenge, except per share amounts)                      |                              |                  |                                |                                             |                                |
| <b>Revenue and other income</b>                                       |                              |                  |                                |                                             |                                |
| Revenue from contracts with customers ..                              | 4,500,494                    | 4,239,360        | 8330,261                       | 8,319,543                                   | 8,693,081                      |
| Share in profit of joint ventures and associates, net .....           | 348,737                      | 268,190          | 531,230                        | 534,177                                     | 991,310                        |
| Gain from disposal of subsidiary .....                                | 3,000                        | 16,410           | 16,410                         | 186,225                                     | -                              |
| Interest revenue calculated using the effective interest method ..... | 93,669                       | 96,946           | 184,392                        | 139,449                                     | -                              |
| Finance income .....                                                  | -                            | -                | -                              | -                                           | 120,603                        |
| Other finance income .....                                            | 27,162                       | 112,871          | 123,290                        | 7,332                                       | -                              |
| Other operating income .....                                          | 20,246                       | 30,344           | 52,377                         | 55,378                                      | 22,319                         |
| <b>Total revenue and other income .....</b>                           | <b>4,993,308</b>             | <b>4,764,121</b> | <b>9,237,960</b>               | <b>9,242,104</b>                            | <b>9,827,313</b>               |

|                                                                                                                            | For six months ended 30 June                     |                    | For the year ended 31 December |                                 |                              |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------|--------------------------------|---------------------------------|------------------------------|
|                                                                                                                            | 2025                                             | 2024               | 2024                           | 2023<br>(restated) <sup>1</sup> | 2022 (restated) <sup>2</sup> |
|                                                                                                                            | (unaudited)                                      |                    |                                | (audited)                       |                              |
|                                                                                                                            | (in millions of Tenge, except per share amounts) |                    |                                |                                 |                              |
| <b>Costs and expenses</b>                                                                                                  |                                                  |                    |                                |                                 |                              |
| Cost of purchased oil, gas, petroleum products and other materials .....                                                   | (2,426,770)                                      | (2,340,139)        | (4,347,011)                    | (4,621,881)                     | (4,960,176)                  |
| Production expenses .....                                                                                                  | (758,776)                                        | (638,995)          | (1,398,604)                    | (1,219,722)                     | (1,144,241)                  |
| Taxes other than income tax .....                                                                                          | (281,931)                                        | (302,448)          | (592,984)                      | (594,080)                       | (677,921)                    |
| Depreciation, depletion and amortization .....                                                                             | (353,002)                                        | (322,422)          | (642,666)                      | (599,543)                       | (506,900)                    |
| Transportation and selling expenses .....                                                                                  | (145,683)                                        | (131,564)          | (267,824)                      | (245,525)                       | (205,352)                    |
| General and administrative expenses .....                                                                                  | (94,252)                                         | (110,775)          | (254,148)                      | (165,897)                       | (160,479)                    |
| Impairment of property, plant and equipment, intangible assets and exploration expenses.....                               | (19,463)                                         | (16,824)           | (69,733)                       | (248,140)                       | (19,917)                     |
| Finance costs .....                                                                                                        | (164,013)                                        | (167,140)          | (346,096)                      | (321,630)                       | (308,055)                    |
| Foreign exchange gain/(loss), net .....                                                                                    | (22,728)                                         | 39,337             | 185,459                        | 25,222                          | 40,089                       |
| Expected credit losses.....                                                                                                | (3,976)                                          | (6,662)            | (8,316)                        | (11,874)                        | -                            |
| Other expenses.....                                                                                                        | (15,837)                                         | (16,372)           | (38,703)                       | (42,564)                        | (85,424)                     |
| <b>Total costs and expenses.....</b>                                                                                       | <b>(4,286,431)</b>                               | <b>(4,014,004)</b> | <b>(7,780,626)</b>             | <b>(8,045,634)</b>              | <b>(8,028,376)</b>           |
| <b>Profit before income tax .....</b>                                                                                      | <b>706,877</b>                                   | <b>750,117</b>     | <b>1,457,334</b>               | <b>1,196,470</b>                | <b>1,798,937</b>             |
| Income tax expenses .....                                                                                                  | (172,500)                                        | (200,611)          | (363,087)                      | (269,792)                       | (492,377)                    |
| <b>Net profit for the period .....</b>                                                                                     | <b>534,377</b>                                   | <b>549,506</b>     | <b>1,094,247</b>               | <b>926,678</b>                  | <b>1,306,560</b>             |
| <b>Net profit/(loss) for the period attributable to:</b>                                                                   |                                                  |                    |                                |                                 |                              |
| Equity holders of the Parent Company ....                                                                                  | 535,997                                          | 557,989            | 1,094,438                      | 962,700                         | 1,278,359                    |
| Non-controlling interest.....                                                                                              | (1,620)                                          | (8,483)            | (191)                          | (36,022)                        | 28,201                       |
|                                                                                                                            | <b>534,377</b>                                   | <b>549,506</b>     | <b>1,094,247</b>               | <b>926,678</b>                  | <b>1,306,560</b>             |
| <b>Other comprehensive income/(loss)</b>                                                                                   |                                                  |                    |                                |                                 |                              |
| <i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</i>                        |                                                  |                    |                                |                                 |                              |
| Hedging effect                                                                                                             | (2,900)                                          | 5,101              | (1,463)                        | 849                             | (11,872)                     |
| Exchange differences on translation of foreign operations .....                                                            | (128,776)                                        | 374,680            | 1,492,858                      | (176,614)                       | 695,642                      |
| Net (loss)/gain on hedge of a net investment.....                                                                          | 25,671                                           | (93,941)           | (358,847)                      | 46,152                          | (187,440)                    |
| Tax effect.....                                                                                                            | 7,836                                            | (21,917)           | (90,712)                       | 11,101                          | (36,525)                     |
| <b>Net other comprehensive income to be reclassified to profit or loss in the subsequent periods, net of tax .....</b>     | <b>(98,169)</b>                                  | <b>263,923</b>     | <b>1,041,836</b>               | <b>(118,512)</b>                | <b>459,805</b>               |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>                           |                                                  |                    |                                |                                 |                              |
| Actuarial gain on defined benefit plans of the Group .....                                                                 | -                                                | -                  | 870                            | 341                             | 9,075                        |
| Actuarial gain on defined benefit plans of joint ventures .....                                                            | -                                                | -                  | 114                            | 651                             | (19)                         |
| Tax effect.....                                                                                                            | -                                                | -                  | 1                              | (327)                           | (116)                        |
| Actuarial gain on defined benefit plans, net of tax <sup>(3)</sup>                                                         | 780                                              | 536                | -                              | -                               | -                            |
| Actuarial gain on defined benefit plans of the joint ventures, net of tax <sup>(3)</sup>                                   | 698                                              | 111                | -                              | -                               | -                            |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax .....</b> | <b>1,478</b>                                     | <b>647</b>         | <b>985</b>                     | <b>665</b>                      | <b>8,940</b>                 |
| <b>Net other comprehensive income for the period, net of tax .....</b>                                                     | <b>(96,691)</b>                                  | <b>264,570</b>     | <b>1,042,821</b>               | <b>(117,847)</b>                | <b>468,745</b>               |

|                                                                          | For six months ended 30 June                     |                | For the year ended 31 December |                           |                                |
|--------------------------------------------------------------------------|--------------------------------------------------|----------------|--------------------------------|---------------------------|--------------------------------|
|                                                                          | 2024                                             |                | 2023                           |                           |                                |
|                                                                          | 2025                                             |                | 2024                           | (restated) <sup>(1)</sup> | 2022 (restated) <sup>(2)</sup> |
|                                                                          | (unaudited)                                      |                |                                | (audited)                 |                                |
|                                                                          | (in millions of Tenge, except per share amounts) |                |                                |                           |                                |
| <b>Total comprehensive income for the period, net of tax .....</b>       | <b>437,686</b>                                   | <b>814,076</b> | <b>2,137,068</b>               | <b>808,831</b>            | <b>1,775,305</b>               |
| <b>Total comprehensive income/(loss) for the period attributable to:</b> |                                                  |                |                                |                           |                                |
| Equity holders of the Parent Company ....                                | 439,284                                          | 822,449        | 2,136,253                      | 845,194                   | 1,745,651                      |
| Non-controlling interests .....                                          | (1,598)                                          | (8,373)        | 815                            | (36,363)                  | 29,654                         |
|                                                                          | <b>437,686</b>                                   | <b>814,076</b> | <b>2,137,068</b>               | <b>808,831</b>            | <b>1,775,305</b>               |
| <b>Earnings per share</b>                                                |                                                  |                |                                |                           |                                |
| <b>(thousands of Tenge):</b>                                             |                                                  |                |                                |                           |                                |
| Basic and diluted .....                                                  | 0.88                                             | 0.91           | 1.794                          | 1.578                     | 2.095                          |

**Notes:**

- (1) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December 2023, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2023. For more details, refer to Note 6 included in the financial statements for the year ended 31 December 2024.
- (2) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December 2022, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2022. For more details, refer to Note 7 included in the financial statements for the year ended 31 December 2023.
- (3) Actuarial gain on defined benefit plans of the Group and of the joint ventures and the related tax effect have been presented on a combined basis in the Interim Financial Statements i.e. net of tax. Consequently, the financial data for the six months ended 30 June 2025 and 30 June 2024 presented in this Offering Memorandum reflect this combined presentation. The financial information for the years ended 31 December 2024, 2023 and 2022 have not been revised.

**Consolidated Statement of Cash Flows**

|                                                                                                                                     | Six months ended 30 June |           | As at the year ended 31 December |                                |                                |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------|----------------------------------|--------------------------------|--------------------------------|
|                                                                                                                                     |                          |           |                                  |                                |                                |
|                                                                                                                                     | 2025                     | 2024      | 2024                             | 2023 (restated) <sup>(1)</sup> | 2022 (restated) <sup>(2)</sup> |
|                                                                                                                                     | (unaudited)              |           |                                  | (audited)                      |                                |
|                                                                                                                                     | (in millions of Tenge)   |           |                                  |                                |                                |
| <b>Cash flows from operating activities</b>                                                                                         |                          |           |                                  |                                |                                |
| Profit before income tax.....                                                                                                       | 706,877                  | 750,117   | 1,457,334                        | 1,196,470                      | 1,798,937                      |
| <b>Adjustments:</b>                                                                                                                 |                          |           |                                  |                                |                                |
| Depreciation, depletion and amortization .....                                                                                      | 353,002                  | 322,422   | 642,666                          | 599,543                        | 506,900                        |
| Impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses..... | 19,463                   | 16,824    | 69,733                           | 248,140                        | 19,917                         |
| Gain from disposal of subsidiary .....                                                                                              | (3,000)                  | (16,410)  | (16,410)                         | (186,225)                      | -                              |
| Realized loss / (gain) from derivatives on petroleum products.....                                                                  | 3,244                    | (4,913)   | (19,502)                         | (69)                           | 121,539                        |
| Interest revenue calculated using the effective interest method.....                                                                | (93,669)                 | (96,946)  | (184,392)                        | (139,449)                      | -                              |
| Finance income .....                                                                                                                | -                        | -         | -                                | -                              | (120,603)                      |
| Other finance income .....                                                                                                          | (27,162)                 | (112,871) | (123,290)                        | (7,332)                        | -                              |
| Finance costs.....                                                                                                                  | 164,013                  | 167,140   | 346,096                          | 321,630                        | 308,055                        |
| Loss on disposal of joint venture.....                                                                                              | -                        | -         | 1,928                            | 90                             | -                              |
| Share in profit of joint ventures and associates, net .....                                                                         | (348,737)                | (268,190) | (531,230)                        | (534,177)                      | (991,310)                      |
| Movements in provisions .....                                                                                                       | 5,458                    | 1,257     | (15,912)                         | (6,158)                        | 78,603                         |
| Net foreign exchange loss /(gain).....                                                                                              | 22,728                   | (35,308)  | (184,029)                        | (29,107)                       | (34,290)                       |
| Write off / (recovery of) inventories to net realizable value .....                                                                 | (5,349)                  | (2,708)   | 942                              | 4,646                          | 4,236                          |



|                                                                                                                                        | Six months ended 30 June |                | As at the year ended 31 December |                                   |                                   |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------|----------------------------------|-----------------------------------|-----------------------------------|
|                                                                                                                                        | 2025                     | 2024           | 2024                             | 2023<br>(restated) <sup>(1)</sup> | 2022<br>(restated) <sup>(2)</sup> |
|                                                                                                                                        | (unaudited)              |                |                                  | (audited)                         |                                   |
|                                                                                                                                        | (in millions of Tenge)   |                |                                  |                                   |                                   |
| Loss / (gain) on disposal of property, plant and equipment, intangible assets, investment property and assets held for sale, net ..... | 722                      | (6,404)        | 5,241                            | 501                               | 2,623                             |
| Impairment/(reversal of impairment) of VAT receivable .....                                                                            | -                        | -              | 7,063                            | (282)                             | (1,942)                           |
| Change in financial guarantees .....                                                                                                   | -                        | -              | 1,765                            | 344                               | 122                               |
| VAT non-recoverable .....                                                                                                              | -                        | -              | 1,237                            | 5,811                             | 2,582                             |
| Allowance of expected credit loss.....                                                                                                 | 3,976                    | 6,662          | 8,316                            | 11,874                            | 2,758                             |
| Other adjustments .....                                                                                                                | 8,805                    | 648            | -                                | -                                 | -                                 |
| <b>Operating profit before working capital changes .....</b>                                                                           | <b>810,371</b>           | <b>721,320</b> | <b>1,467,556</b>                 | <b>1,486,250</b>                  | <b>1,698,127</b>                  |
| Change in VAT receivable.....                                                                                                          | 362                      | 24,121         | 6,180                            | (37,306)                          | (14,118)                          |
| Change in inventory .....                                                                                                              | 56,620                   | 17,501         | 36,690                           | (76,763)                          | (115,725)                         |
| Change in trade accounts receivable and other current assets .....                                                                     | (298,666)                | (41,237)       | 199,936                          | 4,630                             | 32,933                            |
| Change in trade and other payables and contract liabilities.....                                                                       | (18,399)                 | (19,109)       | (142,667)                        | 78,727                            | (110,086)                         |
| Change in other taxes payable.....                                                                                                     | 84,707                   | (27,567)       | (134,049)                        | (127,565)                         | (58,183)                          |
| <b>Cash generated from operations .....</b>                                                                                            | <b>634,995</b>           | <b>675,029</b> | <b>1,433,646</b>                 | <b>1,327,973</b>                  | <b>1,432,948</b>                  |
| Dividends received from joint ventures and associates .....                                                                            | 474,356                  | 309,547        | 701,104                          | 619,826                           | 462,309                           |
| Income taxes paid .....                                                                                                                | (119,771)                | (65,508)       | (182,227)                        | (147,166)                         | (144,015)                         |
| Interest received .....                                                                                                                | 90,344                   | 66,524         | 138,511                          | 123,389                           | 49,487                            |
| Interest paid .....                                                                                                                    | (135,939)                | (112,159)      | (247,182)                        | (256,408)                         | (233,418)                         |
| <b>Net cash flow from operating activities .....</b>                                                                                   | <b>943,985</b>           | <b>873,433</b> | <b>1,843,852</b>                 | <b>1,667,614</b>                  | <b>1,567,311</b>                  |
| <b>Cash flows from investing activities</b>                                                                                            |                          |                |                                  |                                   |                                   |
| Placement of bank deposits .....                                                                                                       | (1,256,141)              | (607,484)      | (2,068,061)                      | (1,460,352)                       | (1,698,647)                       |
| Withdrawal of bank deposits .....                                                                                                      | 1,528,055                | 950,803        | 1,734,453                        | 1,614,940                         | 1,138,294                         |
| Acquisition of subsidiary, net of cash acquired .....                                                                                  | -                        | -              | -                                | (156,388)                         | (1,198,317)                       |
| Deferred consideration paid for the acquisition of subsidiary .....                                                                    | -                        | (1,520)        | (1,520)                          | (163,770)                         | -                                 |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets .....                               | (262,229)                | (269,532)      | (644,752)                        | (683,439)                         | (451,476)                         |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale .....                  | 4,266                    | 718            | 1,939                            | 3,317                             | 2,219                             |
| Proceeds from disposal of subsidiary, net of cash disposed .....                                                                       | 1,163                    | 8,010          | 8,010                            | 94,624                            | -                                 |
| Cash of disposed subsidiaries.....                                                                                                     | -                        | -              | -                                | -                                 | (4,137)                           |
| Proceeds from disposal of share in joint venture .....                                                                                 | -                        | 4,465          | 12,995                           | -                                 | -                                 |
| Additional contributions to joint ventures without changes to ownership .....                                                          | (30,967)                 | (11,851)       | (74,209)                         | (20,117)                          | (15,398)                          |
| Loans given to related parties .....                                                                                                   | (20,898)                 | (25,620)       | (67,980)                         | (44,672)                          | (42,018)                          |
| Repayment of loans due from related parties .....                                                                                      | 610                      | 31,441         | 45,023                           | 35,963                            | 38,190                            |
| Acquisition of debt securities .....                                                                                                   | -                        | -              | (18,041)                         | (7,063)                           | -                                 |
| Proceeds from sale of debt securities .                                                                                                | -                        | -              | 13,736                           | 289                               | 118                               |
| Guaranteed and other payments receivable from a joint venture participant .....                                                        | -                        | -              | 9,905                            | -                                 | -                                 |

|                                                                                                        | Six months ended 30 June |                  | As at the year ended 31 December |                                   |                                   |
|--------------------------------------------------------------------------------------------------------|--------------------------|------------------|----------------------------------|-----------------------------------|-----------------------------------|
|                                                                                                        | 2025                     | 2024             | 2024                             | 2023<br>(restated) <sup>(1)</sup> | 2022<br>(restated) <sup>(2)</sup> |
|                                                                                                        | (unaudited)              |                  |                                  | (audited)                         |                                   |
|                                                                                                        | (in millions of Tenge)   |                  |                                  |                                   |                                   |
| Proceeds from sale of notes of the National Bank of RK .....                                           | 269,686                  | 183,763          | -                                | -                                 | -                                 |
| Redeem of notes of the National Bank of RK .....                                                       | -                        | -                | 308,147                          | 451,598                           | 17,000                            |
| Acquisition of notes of the National Bank of RK .....                                                  | (255,895)                | (174,725)        | (302,600)                        | (425,263)                         | (87,000)                          |
| Proceeds from bonds redemption of Samruk-Kazyna .....                                                  | 10,000                   | -                | -                                | -                                 | -                                 |
| Acquisition of bonds of Samruk-Kazyna .....                                                            | (10,000)                 | -                | -                                | -                                 | -                                 |
| Other .....                                                                                            | (2,998)                  | 1,884            | -                                | 697                               | (1,138)                           |
| <b>Net cash flows (used in)/from investing activities</b>                                              | <b>(25,348)</b>          | <b>90,352</b>    | <b>(1,042,955)</b>               | <b>(759,636)</b>                  | <b>(2,302,310)</b>                |
| <b>Cash flows from financing activities</b>                                                            |                          |                  |                                  |                                   |                                   |
| Proceeds from borrowings .....                                                                         | 211,817                  | 105,140          | 214,894                          | 385,304                           | 985,714                           |
| Repayment of borrowings .....                                                                          | (251,990)                | (171,232)        | (647,409)                        | (666,232)                         | (224,327)                         |
| Dividends paid to shareholders .....                                                                   | (300,002)                | (300,002)        | (300,002)                        | (300,002)                         | (199,997)                         |
| Dividends paid to non-controlling interests .....                                                      | (3,311)                  | (2,509)          | (2,759)                          | (1,572)                           | (1,975)                           |
| Distribution of net assets of KazMunayGaz Exploration Production JSC to non-controlling interest ..... | -                        | -                | (5,901)                          | -                                 | -                                 |
| Distributions to Samruk-Kazyna .....                                                                   | (3)                      | (57)             | (2,059)                          | (120)                             | (266,069)                         |
| Contribution from the related party .....                                                              | -                        | -                | -                                | 14,155                            | 7,064                             |
| Payment of principal portion of lease liabilities .....                                                | (15,103)                 | (14,861)         | (26,118)                         | (26,933)                          | (19,709)                          |
| Return of insurance premium .....                                                                      | -                        | -                | -                                | -                                 | 7,370                             |
| Proceeds from the repo agreements .....                                                                | 30,739                   | 22,074           | 22,074                           | -                                 | -                                 |
| Repayment of the repo agreements .....                                                                 | -                        | (22,074)         | (22,074)                         | -                                 | -                                 |
| Other operations .....                                                                                 | (4,292)                  | -                | -                                | -                                 | -                                 |
| Other operations with Samruk-Kazyna .....                                                              | -                        | -                | (6,652)                          | (8,962)                           | -                                 |
| Other .....                                                                                            | (48)                     | -                | (4,554)                          | -                                 | -                                 |
| <b>Net cash flows (used in)/from financing activities</b>                                              | <b>(332,193)</b>         | <b>(383,521)</b> | <b>(780,560)</b>                 | <b>(604,362)</b>                  | <b>288,071</b>                    |
| Effects of exchange rate changes on cash and cash equivalents .....                                    | (2,273)                  | 60,690           | 145,268                          | (15,942)                          | 65,755                            |
| Change in allowance for expected credit losses .....                                                   | 5                        | (18)             | (27)                             | 14                                | 114                               |
| <b>Net change in cash and cash equivalents</b>                                                         | <b>584,176</b>           | <b>640,936</b>   | <b>165,578</b>                   | <b>287,688</b>                    | <b>(381,059)</b>                  |
| Cash and cash equivalents, at the beginning of the period .....                                        | 1,216,451                | 1,050,873        | 1,050,873                        | 763,185                           | 1,144,244                         |
| <b>Cash and cash equivalents, at the end of the period .....</b>                                       | <b>1,800,627</b>         | <b>1,691,809</b> | <b>1,216,451</b>                 | <b>1,050,873</b>                  | <b>763,185</b>                    |

**Notes:**

- (1) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December 2023, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2023. For more details, refer to Note 6 included in the financial statements for the year ended 31 December 2024.
- (2) Certain numbers do not correspond to the consolidated financial statements for the year ended 31 December 2022, due to adjustments made following the finalization of accounting in connection with the business combinations that took place in late 2022. For more details, refer to Note 7 included in the financial statements for the year ended 31 December 2023.

## Alternative Performance Measures

The following table sets forth key alternative performance measures used by the Issuer's management in assessing the Issuer's performance, which reflect the Issuer's operations:

|                                                              | As at and for the six<br>(twelve for Interim<br>LTM EBITDA and<br>Interim LTM<br>Adjusted EBITDA)<br>months ended<br>30 June | As at and for the year ended 31 December |                     |                     |
|--------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------|---------------------|
|                                                              | 2025                                                                                                                         | 2024 <sup>(1)</sup>                      | 2023 <sup>(1)</sup> | 2022 <sup>(1)</sup> |
|                                                              | <i>(Tenge billions, except ratios) (unaudited)</i>                                                                           |                                          |                     |                     |
| EBITDA <sup>(2)</sup> .....                                  | 1,141.8                                                                                                                      | 2,001.0                                  | 2,006.6             | 2,536.2             |
| Adjusted EBITDA <sup>(3)</sup> .....                         | 1,267.4                                                                                                                      | 2,170.9                                  | 2,092.2             | 2,007.2             |
| Interim LTM EBITDA <sup>(4)</sup> .....                      | 2,159.1                                                                                                                      | -                                        | -                   | -                   |
| Interim LTM Adjusted EBITDA <sup>(5)</sup> .....             | 2,413.2                                                                                                                      | -                                        | -                   | -                   |
| Debt (including current portion) <sup>(6)</sup> .....        | 3,892.3                                                                                                                      | 3,967.4                                  | 3,757.1             | 4,154.4             |
| Cash and deposits (including long-term) <sup>(7)</sup> ..... | 3,089.2                                                                                                                      | 2,804.6                                  | 2,111.8             | 2,000.5             |
| Net Debt <sup>(8)</sup> .....                                | 803.2                                                                                                                        | 1,162.8                                  | 1,645.3             | 2,153.9             |
| Free Cash Flow <sup>(9)</sup> .....                          | 681.8                                                                                                                        | 1,199.1                                  | 984.2               | 1,115.8             |
| Net Debt/ EBITDA <sup>(10)</sup> .....                       | 0.37x                                                                                                                        | 0.58x                                    | 0.82x               | 0.85x               |
| Net Debt/ Adjusted EBITDA <sup>(11)</sup> .....              | 0.33x                                                                                                                        | 0.54x                                    | 0.79x               | 1.07x               |

### Notes:

- (1) The financial figures and ratios as at and for the years ended 31 December 2024, 2023 and 2022 are calculated with relevant adjustments made for assets classified as held for sale. See Notes 3 and 15 to the Financial Statements.
- (2) Calculated as revenue from contracts with customers *plus* share in profit of JVs and associates, net, *minus* cost of purchased oil, gas, petroleum products and other materials, production expenses, general and administrative expenses, transportation and selling expenses, taxes other than income tax.
- (3) Calculated as EBITDA *minus* share in profit of JVs and associates, net, *plus* dividends received from joint ventures and associates (as defined in the consolidated statement of cash flows).
- (4) Calculated as EBITDA for the year ended 31 December 2024 minus EBITDA for the six months ended 30 June 2024 plus EBITDA for the six months ended 30 June 2025.
- (5) Calculated as Adjusted EBITDA for the year ended 31 December 2024 minus Adjusted EBITDA for the six months ended 30 June 2024 plus Adjusted EBITDA for the six months ended 30 June 2025.
- (6) Calculated as the current portion of borrowings *plus* the non-current portion of borrowings.
- (7) Calculated as the sum of cash and cash equivalents, short-term bank deposits and long-term bank deposits.
- (8) Calculated as Debt *minus* cash and deposits.
- (9) Calculated as net cash flow from operating activities *minus* Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets.
- (10) Calculated as the ratio of Net Debt divided by EBITDA. For the interim period, Interim LTM EBITDA (per above) was applied.
- (11) Calculated as the ratio of Net Debt divided by Adjusted EBITDA. For the interim period, Interim LTM Adjusted EBITDA (per above) was applied.

The following table sets forth a reconciliation of EBITDA, Adjusted EBITDA and Interim LTM EBITDA, Interim LTM Adjusted EBITDA to revenue from contracts with customers for the periods indicated:

|                                                                            | For the six<br>(twelve for<br>Interim LTM<br>EBITDA and<br>Interim LTM<br>Adjusted<br>EBITDA)<br>months ended<br>30 June | For the year ended 31 December                     |                |                |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------|----------------|
|                                                                            | 2025                                                                                                                     | 2024                                               | 2023           | 2022           |
|                                                                            |                                                                                                                          | <i>(Tenge billions, except ratios) (unaudited)</i> |                |                |
| Revenue from contracts with customers .....                                | 4,500.5                                                                                                                  | 8,330.3                                            | 8,319.5        | 8,693.1        |
| Cost of purchased oil, gas, petroleum products<br>and other materials..... | (2,426.8)                                                                                                                | (4,347.0)                                          | (4,621.9)      | (4,960.2)      |
| Production expenses .....                                                  | (758.8)                                                                                                                  | (1,398.6)                                          | (1,219.7)      | (1,144.2)      |
| Taxes other than income tax .....                                          | (281.9)                                                                                                                  | (593.0)                                            | (594.1)        | (677.9)        |
| Transportation and selling expenses .....                                  | (145.7)                                                                                                                  | (267.8)                                            | (245.5)        | (205.4)        |
| General and administrative expenses.....                                   | (94.3)                                                                                                                   | (254.1)                                            | (165.9)        | (160.5)        |
| Share in profit of joint ventures and<br>associates, net .....             | 348.7                                                                                                                    | 531.2                                              | 534.2          | 991.3          |
| <b>EBITDA .....</b>                                                        | <b>1,141.8</b>                                                                                                           | <b>2,001.0</b>                                     | <b>2,006.6</b> | <b>2,536.2</b> |
| Share in profit of joint ventures and<br>associates, net .....             | (348.7)                                                                                                                  | (531.2)                                            | (534.2)        | (991.3)        |
| Dividends received from joint ventures and<br>associates.....              | 474.4                                                                                                                    | 701.1                                              | 619.8          | 462.3          |
| <b>Adjusted EBITDA .....</b>                                               | <b>1,267.4</b>                                                                                                           | <b>2,170.9</b>                                     | <b>2,092.2</b> | <b>2,007.2</b> |
| <b>Interim LTM EBITDA.....</b>                                             | <b>2,159.1</b>                                                                                                           | -                                                  | -              | -              |
| <b>Interim LTM Adjusted EBITDA .....</b>                                   | <b>2,413.2</b>                                                                                                           | -                                                  | -              | -              |

The following table sets forth a reconciliation of Debt (including current portion); Cash and deposits (including long-term); and Net Debt.

|                                                      | As at 30 June  | As at 31 December                   |                |                |
|------------------------------------------------------|----------------|-------------------------------------|----------------|----------------|
|                                                      | 2025           | 2024                                | 2023           | 2022           |
|                                                      |                | <i>(Tenge billions) (unaudited)</i> |                |                |
| Borrowings (non-current) .....                       | 3,385.6        | 3,644.1                             | 3,365.7        | 3,784.9        |
| Borrowings (current) .....                           | 506.8          | 323.3                               | 391.4          | 369.5          |
| <b>Debt (including current portion) .....</b>        | <b>3,892.3</b> | <b>3,967.4</b>                      | <b>3,757.1</b> | <b>4,154.4</b> |
| Cash and cash equivalents .....                      | 1,800.6        | 1,216.5                             | 1,050.9        | 763.2          |
| Short-term bank deposits .....                       | 1,214.5        | 1,513.8                             | 997.0          | 1,178.1        |
| Long-term bank deposits .....                        | 74.1           | 74.3                                | 63.9           | 59.2           |
| <b>Cash and deposits (including long-term) .....</b> | <b>3,089.2</b> | <b>2,804.6</b>                      | <b>2,111.8</b> | <b>2,000.5</b> |
| <b>Net Debt .....</b>                                | <b>803.1</b>   | <b>1,162.8</b>                      | <b>1,645.3</b> | <b>2,153.9</b> |

The following table sets forth a reconciliation of Free Cash Flow to net cash flow from operating activities for the periods indicated:

|                                                                                                                | For the six months ended 30 June |              | For the year ended 31 December      |              |                |
|----------------------------------------------------------------------------------------------------------------|----------------------------------|--------------|-------------------------------------|--------------|----------------|
|                                                                                                                | 2025                             | 2024         | 2024                                | 2023         | 2022           |
|                                                                                                                |                                  |              | <i>(Tenge billions) (unaudited)</i> |              |                |
| Net cash flow from operating<br>activities.....                                                                | 944.0                            | 873.4        | 1,843.9                             | 1,667.6      | 1,567.3        |
| Purchase of property, plant and<br>equipment, intangible assets and<br>exploration and evaluation assets ..... | (262.2)                          | (269.5)      | (644.8)                             | (683.4)      | (451.5)        |
| <b>Free Cash Flow .....</b>                                                                                    | <b>681.8</b>                     | <b>603.9</b> | <b>1,199.1</b>                      | <b>984.2</b> | <b>1,115.8</b> |

## BUSINESS

### Overview

The Issuer is the national oil and gas company of Kazakhstan with vertically-integrated upstream, midstream and downstream operations. The Issuer is the largest crude oil and condensate producer in Kazakhstan in terms of production volume as at 30 June 2025. As at 30 June 2025, the Issuer also operates the largest crude oil and gas pipeline networks in Kazakhstan in terms of length and throughput capacity. In addition, the Issuer operates the four largest refineries in Kazakhstan in terms of volume of hydrocarbon refining and two in Romania.

The Issuer's goal and principal activities in which the Issuer engages to achieve its goal are set out in clause 5 of the Issuer's Charter. The Issuer's goal is generating and receiving net profit in the course of carrying out its economic activity. The Issuer's principal activities include:

- Exploration and production of oil and gas;
- Oil transportation;
- Refining and trading of crude oil, and refined products (diesel, gasoline, bitumen and other products);
- Participating in the development and implementation of government policies related to the oil and gas industry; and
- Representation of the state interests in subsoil use contracts through interest participation in those contracts.

The Group's net profit increased to KZT 1,094.2 billion for the year ended 31 December 2024 from KZT 926.7 billion for the year ended 31 December 2023, which represented a decrease from KZT 1,306.6 billion for the year ended 31 December 2022. For the first six months of 2025, the Group's net profit amounted to KZT 534.4 billion, as compared to KZT 549.5 billion for the first six months of 2024.

For the years ended 31 December 2024, 2023 and 2022, the 2P reserves of the Group were 716 million tonnes of oil equivalent ("**mtoe**") and 5,551 thousand barrels of oil equivalent ("**mboe**"), 733 mtoe and 5,680 mboe and 708 mtoe and 5,479 mboe, respectively.

The main markets for the Issuer's products are the following:

| Product            | Market                                                                  |
|--------------------|-------------------------------------------------------------------------|
| Oil.....           | Europe (65 per cent.), Kazakhstan (35 per cent.)                        |
| Oil products ..... | Kazakhstan (86 per cent.), Other – Europe, China, Russia (14 per cent.) |

As at 30 June 2025, the Group had total assets of KZT 19,053.9 billion, as compared to total assets of KZT 18,934.6 billion as at 31 December 2024, total assets of KZT 16,941.1 billion as at 31 December 2023 and total assets of KZT 16,656.9 billion as at 31 December 2022.

The Group's EBITDA for the year ended 31 December 2024 was equal to KZT 2,001.0 billion split mainly between (i) KZT 1,491.1 billion (74.5 per cent.) generated by the exploration and production segment ("**upstream**"), (ii) KZT 219.5 billion (11.0 per cent.) generated by the transportation of crude oil segment ("**midstream**") of and (iii) KZT 371.7 billion (18.6 per cent.) generated by the refining and trading of crude oil and refined products ("**downstream**") and (iv) a loss of KZT 81.4 billion (-4.1 per cent.) generated by corporate and other business activities of the Group, including eliminations and adjustments.

The Group's EBITDA decreased to KZT 2,001.0 billion for the year ended 31 December 2024 from KZT 2,006.6 billion for the year ended 31 December 2023, which represented a further decrease from KZT 2,536.2 billion for the year ended 31 December 2022. For the first six months of 2025, the Group's EBITDA amounted to KZT 1,141.8 billion, as compared to KZT 983.6 billion for the first six months of 2024.

### Upstream

The Issuer's upstream portfolio comprises three megaprojects developed under Production Sharing Agreements in respect of Kashagan and Karachaganak, and through a joint venture in Tengizchevroil. In total, the Group's

portfolio covers 118 fields, including these megaprojects, of which 63 are jointly developed and 55 are solely developed. Of these, 112 are onshore fields and six are offshore projects.

For the six months ended 30 June 2025, the Issuer's production was 549 kbopd (13.0 million tonnes) of crude oil and condensate. For the six months ended 30 June 2024, the Issuer's production was 490 kbopd (11.9 million tonnes) of crude oil and condensate. In the year ended 31 December 2024, the Issuer's production was 490 kbopd (23.8 million tonnes) of crude oil and condensate and 9.6 bln m<sup>3</sup> of gas (including the proportionate share of the Issuer in joint ventures and associates). In the year ended 31 December 2023, the Issuer's production was 486 kbopd (23.5 million tonnes) of crude oil and condensate and 9.5 bln m<sup>3</sup> of gas (including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates). Based on the Issuer's internal information and information obtained from Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC, the Issuer's production of crude oil and condensate (including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates) represented 27 per cent. of the total crude oil and condensate production in Kazakhstan in 2024 whilst the Issuer's production of gas (including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates) represented 16 per cent. of the total gas production in Kazakhstan in 2024.

Oil and gas reserves are a material factor in the Issuer's computation of depreciation, depletion and amortisation. The Issuer estimates its reserves of oil and gas for this computation in accordance with the PRMS and Kazakhstan the methodology (including as a matter of compliance with Kazakhstan subsoil use law). In estimating its reserves under PRMS methodology, the Issuer uses long-term planning prices (macroeconomic forecasts of the Development Plan of Samruk-Kazyna JSC for a 5-year period). Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. The Issuer's management believes that long-term planning price assumptions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves. According to Kazakhstan methodology, as of 31 December 2024, the Issuer's A+B+C1 reserves of oil and condensate were 769 million tonnes. According to the SPE-PRMS standards, 2P reserves were approximately 592 million tonnes. Reserves are assessed on an annual basis as of the end of the reporting year. The Issuer remains focused on adding new reserves sufficient both for conventional oil and gas operations and new promising areas of activity through organic growth and strategic partnerships and acquisitions.

The annual assessment of reserves under the PRMS shows that the planned and actual measures to maintain the Issuer's reserve levels are monitored on a continuous basis. The proved reserves (1P) life is 15 years. The reserves life in the 2P category (proved + probable) is 25 years. The 2P reserve replacement ratio is 100 per cent.

The Issuer attributes the growth of its reserves to the success of exploration projects both onshore and in the Kazakhstan sector of the Caspian Sea, as well as to further exploration of license blocks belonging to its subsidiaries. In 2023, the Issuer and LUKOIL signed a shareholders' agreement, sale and purchase agreement and financing agreement in relation to the Kalamkas-Sea-Khazar project in Kazakhstan's part of the Caspian Sea. Recoverable reserves at such project are estimated at 86 million tonnes of oil and 22 billion cubic metres of gas (including dissolved gas and potential gas from the gas cap). In 2024, the Front-End Engineering Design commenced. The final investment decision is planned by the end of 2025.

Additionally, the Issuer also believes it can sustainably grow its reserve base by, amongst other methods, exercising its rights as beneficiary of the state's pre-emptive rights to acquire interests in Subsoil use contracts and entities that are party to subsoil use contracts offered for sale.

The Issuer possesses a sufficient resource base to support long-term growth, including through the implementation of geological exploration and appraisal (GEA) projects in partnership with strategic investors.

The Issuer is also engaged in the study and drilling of deep horizons as part of its strategic objective to maintain a resource base sufficient to support long-term growth. Drilling at such depths is a capital-intensive process associated with significant geological and technological risks. To enhance the attractiveness of these technically complex projects, the Government of the Republic of Kazakhstan introduced the Enhanced Model Contract mechanism. This framework offers improved fiscal and regulatory conditions to encourage investment in high-risk subsoil use projects.

## **Midstream**

The Issuer's midstream segment consists of the largest crude oil and gas transportation pipeline in Kazakhstan. The two oil transportation modes at the Issuer are trunklines and the marine fleet. As at 31 December 2024, the total length of the oil pipeline networks that the Issuer operates was 9,091 km. Kazakhstan's pipeline infrastructure is owned by KazTransOil (in which the Issuer holds a 90 per cent. interest), the national oil pipeline operator, its two joint ventures (Kazakhstan–China Pipeline and MunaiTas North-West Pipeline Company), and Caspian Pipeline Consortium.

Total oil transportation in 2024 amounted to 83.5 million tonnes. In 2024, trunkline oil transportation increased by 1.0 per cent. to 70,309 thousand tonnes. This growth is attributed to the transshipment of oil from the Kashagan and Karachaganak fields to the Atyrau–Samara and Caspian Pipeline Consortium pipelines through KazTransOil's network, as well as higher domestic transportation to Kazakh refineries. Oil transportation turnover net to the Issuer grew by 1.5 per cent. to 62,111 thousand tonnes, driven by an increase in domestic oil transportation to refineries and the transit of Russian oil en route to Uzbekistan.

Kazakhstan's key marine transportation operator is National Maritime Shipping Company Kazmortsflot ("KMTF"), a subsidiary of the Issuer engaged in the shipment of oil, oil products, and cargoes across the Caspian Sea and via international routes. In 2024, oil transportation by sea increased by 22.2 per cent. to 13,169 thousand tonnes. This growth was driven by higher volumes of oil transportation in the Mediterranean Sea due to rising shipments from the Port of Ceyhan and more volumes transported via the Aktau–Makhachkala and Aktau–Baku routes in the Caspian Sea.

### **Downstream**

The Issuer's downstream segment includes a controlling or significant interest in all major refineries in Kazakhstan. The Issuer controls the Atyrau Refinery in western Kazakhstan and the Pavlodar Refinery in north-eastern Kazakhstan and holds a 49.72 per cent. interest in the Shymkent Refinery in southern Kazakhstan and a 50 per cent. interest in Caspi Bitum. In addition, the Issuer has an integrated European downstream platform comprising refining, marketing and trading business through its 54.6 per cent. interest in Rompetrol Rafinare, which owns and operates the Petromidia Refinery in Romania and the Vega Refinery in Romania. As at 30 June 2025 Rompetrol Downstream operated a network of 1,426 fuelling stations.

In 2021, the Issuer completed an ambitious investment programme to upgrade three core refineries in Kazakhstan, which allowed the Issuer to ramp up the refining capacity and improved product quality, meet domestic demand for oil products and expand their export to the regional market. The Issuer undertook scheduled preventive maintenance in 2024, including projects at the Atyrau Refinery, the Shymkent Refinery and the Pavlodar Refinery. At the Shymkent Refinery and Caspi Bitum, the development project focused on capacity expansion, whilst at the Pavlodar Refinery, it was focused on treatment of petroleum gas and an upgrade in diesel fuel production. At Atyrau Refinery, a large-scale project is underway to enhance performance, with an implementation timeframe of 2023 to 2028.

In the year ended 31 December 2024, in Kazakhstan, the Issuer produced a total of 13,085 thousand tonnes of refined oil products (net to the Issuer, including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates), as compared to 12,951 thousand tonnes in 2023 and 13,128 thousand tonnes in 2022 (each as net to the Issuer, including the proportionate share of the Issuer and its subsidiaries in joint ventures and associates). In Romania, the Issuer produced 4.8, 5.2 and 5.5 million tonnes of refined oil products in 2024, 2023 and 2022, respectively.

### **Business Model**

The Group's production of crude oil led to the export of 65 per cent. of its own crude oil in the year ended 31 December 2024, while 8,519 thousand tonnes, comprising 35 per cent. of the Group's domestic crude oil sales in the year ended 31 December 2024 was domestic oil supply sent to the Group's refineries in the year ended 31 December 2024.

| Exploration and production                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Transportation                                                                                                                                                                                                    | Refining and marketing                                                                                                                                                                                                                                      | Other                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Operating assets:</b><br>Ozenmunaigas (OMG) 100%<br>Embamunaigas (EMG) 100%<br>Kazakhturkmunai (KTM) 100%<br>Urlikhtau Operating (UO) 100%<br>Dunga Operating (Dunga) <sup>1</sup> 60%<br>Mangistaumunaigas (MMG) 50%<br>Kazgermunai (KGM) 50%<br>Petrokazakhstan Inc. (PKI) 33%<br>Karazhanbasmunai (KBM) 50%<br>Kazakhoil Aktobe (KOA) 50%<br>Ural Oil and Gas (UOG) 50%<br><b>Megaprojects:</b><br>Tengizchevroil (TCO) 20%<br>Karachaganak (KPO) <sup>2</sup> 10%<br>Kashagan (NCOC) <sup>3</sup> 16.88% | KazTransOil (KTO) 90%<br>— Batumi Oil Terminal 100%<br>— Kazakhstan – China Pipeline (KCP) 98%<br>— MunaITas (MT) 5.1%<br>CPC (Caspian Pipeline Consortium) <sup>4</sup> 20.35%<br>Kazmortaltransflot (KMTF) 100% | Pavlodar Refinery 100%<br>Atyrau Refinery 99.53%<br>KMG International 100%<br>— Petromidia Refinery 54.62%<br>— Vega Refinery 54.62%<br>KMG PetroChem 100%<br>Shymkent Refinery 49.72%<br>Caspi Bitum 50%<br>KPI Inc. 49.5%<br>Silleno LLP <sup>5</sup> 40% | KMG Drilling & Services LLP 100%<br>Oil Services Company LLP 100%<br>Oil Construction Company LLP 100%<br>Ken-Kurylys-Service LLP 100%<br>KazGPP LLP 100%<br>KazRosGas LLP 50%<br>Mangistau Power B.V. 49% |

## History

- 2002 – Creation of the Issuer
- 2005 – Commissioning of the Atasu–Alashankou pipeline; Acquisition of 8.33 per cent. in Kashagan Field; IPO of KMG EP on the LSE and KASE; purchase of 50 per cent. shares of MMG and purchase of a 33 per cent. stake in Petrokazakhstan Inc.
- 2007 – The acquisition of assets: 75 per cent. of Rompetrol’s shares; 50 per cent. of Shymkent refinery’s shares
- 2008 – Acquisition of Batumi Oil Terminal
- 2009 – Commissioning of the Asian Gas Pipeline; Acquisition of 50 per cent. MMG’s shares, 100 per cent. Pavlodar Refinery’s shares; remaining 25 per cent. shares of Rompetrol
- 2012 – KTO IPO at KASE within the People’s IPO program; the Issuer obtained 10 per cent. interest in Karachaganak Project Consortium which operates the Karachaganak oilfield in the Republic of Kazakhstan.
- 2013 – Sale of 8.33 per cent. of Kashagan field shares in favour of CNPC and purchase of 8.4 per cent. from Conoco
- 2015 – Sale of 50 per cent. of KMG Kashagan B.V. shares to Samruk-Kazyna JSC. Samruk-Kazyna JSC transferred shares to the Issuer in trust management
- 2016 – Resumption of production at Kashagan field; announcement by TCO partners of the final investment decision on FGP and WPMP
- 2017 – Modernization of Pavlodar Refinery and Atyrau Refinery; expansion of CPC throughput up to 67 million tonnes per year
- 2018 – KMG EP delisting from LSE and KASE, followed by merger with KMG; modernisation of Shymkent oil refinery
- 2019 – Fulfilment of TCO crude prepayment obligations in the amount of USD 2,250 million, including an early settlement of USD 1,250 million



- 2020 – Agreement with LUKOIL on the Al-Farabi project defining rights and obligations of the parties regarding future subsoil operations
- 2021 – Completion of modernization of the Satti jack-up drilling rig; the Issuer transferred 100 per cent. KazTransGas (renamed as QazaqGaz) share to Samruk-Kazyna.
- 2022 – the Issuer completed its initial public offering (IPO) on local exchanges in Kazakhstan
- 2022 – the Issuer acquired 50 per cent. of KMG Kashagan B.V. from Samruk-Kazyna and became the sole shareholder in KMG Kashagan B.V.; transfer of 100 per cent. interest in PSA to Samruk-Kazyna Trust; KMG Group lost control over PSA; acquisition of 49.5 per cent. of KPI from Samruk-Kazyna; acquisition of 100 per cent. of KLPE (renamed as KMG PetroChem LLP) from Samruk-Kazyna Odeu LLP and Polymer Production LLP.
- 2023 – 20.00 per cent. of the Issuer’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the Republic of Kazakhstan; acquisition of 100 per cent. of Total E&P Dunga GmbH (renamed Dunga Operating GmbH) from TotalEnergies, implying 60 per cent. share in the Dunga subsoil use project.
- 2024 – Joint Confirmation Agreement with Eni on the Zhanaozen hybrid power plant project; agreement with SOCAR on phased increase of Kazakh oil transit via Azerbaijan and the Memorandum of Strategic Cooperation in Sale and Purchase of the Kazakh Oil.

## **Key Strengths**

The Issuer benefits from the following key strengths:

### ***Operational Strength & Governance***

The Issuer benefits from a diversified asset portfolio with full vertical integration across the oil and gas value chain, including exploration, production, transportation, refining, and marketing. This integrated model enhances operational efficiency, ensures greater control over costs, and mitigates exposure to commodity price volatility. The Issuer’s upstream portfolio spans multiple oil and gas fields with attractive growth potential, while its midstream operations include access to critical export routes. The Issuer also owns and operates four refineries in Kazakhstan and two in Romania, all of which have undergone substantial modernisation, as well as advanced petrochemical facilities, including a recently commissioned polypropylene plant. Further projects, including a polyethylene complex and a gas separation unit, are under development, providing new growth drivers. The Issuer’s prudent governance practices further underscore its strong credit profile, with ratings aligned to that of the sovereign.

### ***Strategic Importance & Government Ownership***

The Issuer is majority-owned by Samruk-Kazyna and other state institutions, reflecting its strategic role in the country’s economy and energy security. This position provides the Issuer with preferential access to hydrocarbon projects, including the ability to obtain subsoil use permits through direct negotiations, and reinforces its importance as one of the largest taxpayers to the National Fund and the state budget. With a dominant market position, the Issuer is the country’s largest oil and gas producer, accounting for approximately 27 per cent. of oil and 16 per cent. of gas output. It also commands a 57 per cent. share of national oil transportation and accounts for roughly 80 per cent. of domestic refining. These factors position the Issuer as a critical contributor to both domestic energy supply and export revenues.

In addition, as Kazakhstan’s national oil and gas company mandated to safeguard the state’s interests in the hydrocarbon sector, the Issuer also maintains a favourable dividend policy towards the Government, with stable payouts linked to free cash flow generation and reported net leverage, further underpinning its strategic importance and contribution to the country’s fiscal stability.

### ***Large Oil Reserves & Sustainable Production***

The Issuer holds significant stakes in Kazakhstan’s three largest megaprojects, underpinning robust long-term reserves and production of approximately 207 kbopd in 2024. Continued investment in modernised refining assets

ensures reliable downstream capacity, while expansion into petrochemicals diversifies the Issuer's revenue base and supports long-term resilience. Control over key midstream and downstream infrastructure allows the Issuer to capture value throughout the supply chain and sustain production through commodity price cycles. This combination of scale, reserves security, and integration supports a sustainable production profile and positions the Issuer as one of the leading energy players in the region.

### ***Financial Strength & Debt Profile***

The Issuer maintains a strong financial position, underpinned by prudent capital structure management and investment-grade ratings from all three major credit agencies. Its disciplined financial policies support stable cash flows and a conservative leverage profile, ensuring sufficient flexibility to pursue growth initiatives while preserving balance sheet strength. The Issuer's long-term debt maturity schedule is well-structured, with the next major repayment due only in 2030, providing visibility and predictability in liquidity planning. Together, these factors underscore the Issuer's financial resilience, strong creditworthiness, and ability to meet obligations in a timely manner.

### ***Stable Regulation & Prudent Management***

The Issuer operates within a stable regulatory environment. As an active participant in the international debt capital markets, the Issuer has established a track record of issuing bonds governed by English law, aligning with global investor standards. Its management team combines deep industry expertise with a disciplined approach to risk management, ensuring operational resilience and prudent capital allocation.

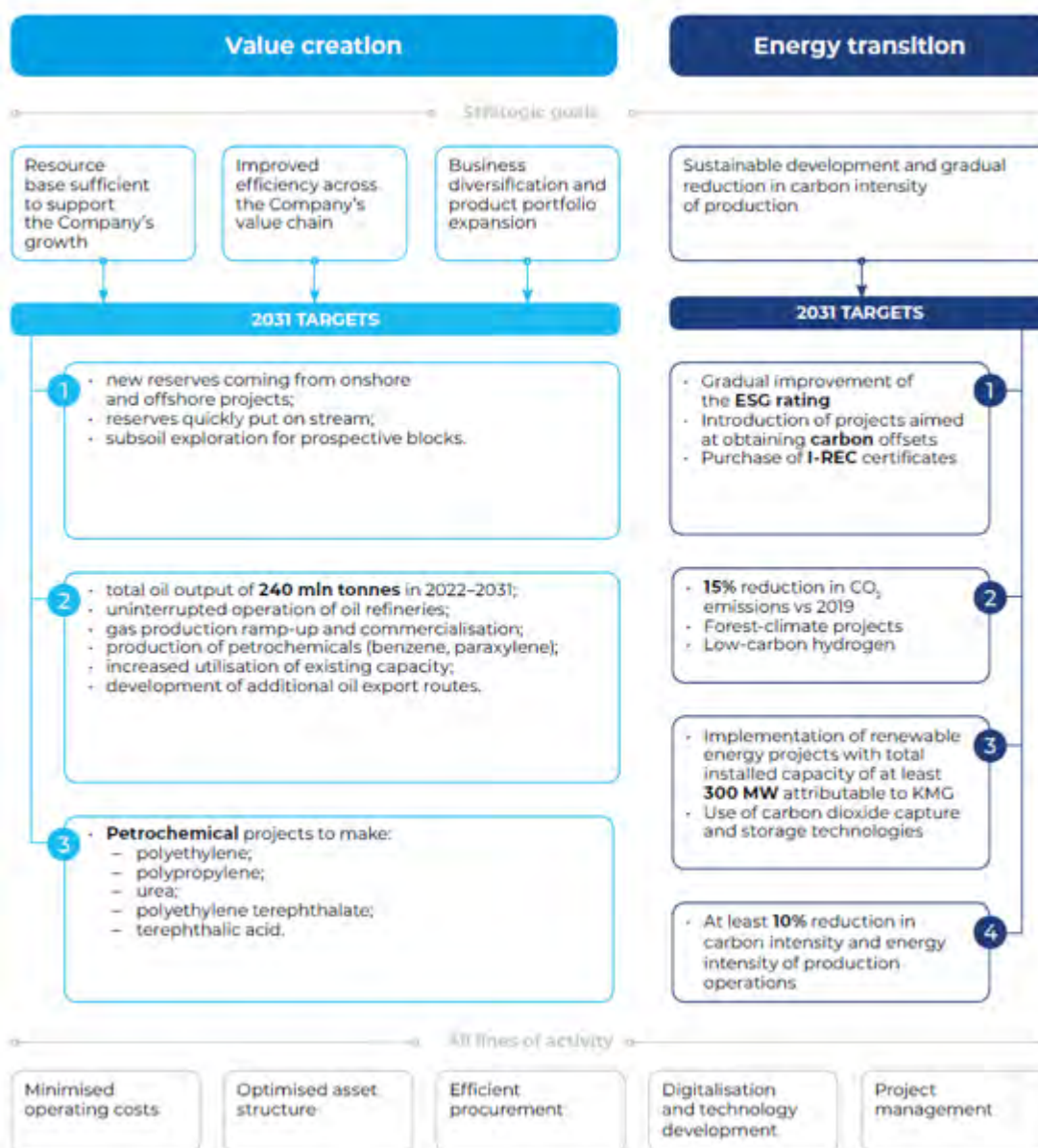
### ***Strategy***

In November 2021, the Board of Directors approved the Issuer's Development Strategy for 2022–2031. The Strategy positions KMG as a financially sound, technologically advanced, and agile energy platform capable of generating stable free cash flows, aligned with sustainability principles and ESG requirements.

KMG's vision is to be a vertically integrated national oil and gas company that meets the highest safety standards and principles of sustainable development, while maximizing financial results. Its mission is to develop natural resources effectively and responsibly, ensuring Kazakhstan's energy security and long-term prosperity for future generations.

The Strategy is built around two core business directions: (i) value creation, through maintaining a sufficient resource base, improving efficiency across the value chain, and expanding/diversifying the product portfolio; and (ii) energy transition, through sustainable development initiatives and the gradual reduction of carbon intensity in operations.

## Strategic focuses



## Principal investments

### Most recent and current principal investments

As at the date of this Offering Memorandum, the Issuer's investment portfolio includes projects across all areas of operations aimed at increasing the resource base and boosting efficiency across the value chain. As at 31 December 2024, the Issuer's investment portfolio totaled KZT 51,270 billion, including KZT 19,390 billion attributable to the Issuer and the remainder representing the Issuer's partners' participating interests. As part of portfolio management, the Issuer continues efforts to prioritise its projects, with decisions on any new investments taking into account their viability, strategic priority level, risks, and capital intensity.

The Issuer's investment portfolio includes a number of projects in conventional areas such as exploration, transportation and refining of oil, and in new realms, i.e. petrochemicals and sustainability.

Investment projects related to sustainability include the construction of a 1 GW wind farm in the Zhambyl region (2025–2028), developed in partnership with Total Energies, Samruk-Kazyna, and the Issuer. Additionally, a 247 MW hybrid power plant combining gas, wind, and solar generation is under construction in the Mangystau region (2023–2026) through a joint venture between the Issuer and ENI S.p.A.

| Project type                           | Total investment portfolio<br>as at 31 December 2024 | Share of investment portfolio<br>attributable to KMG as<br>at 31 December 2024 |
|----------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------|
|                                        | <i>In KZT billions</i>                               |                                                                                |
| Oil and gas exploration and production | 42,747                                               | 13,216                                                                         |
| ESG projects.....                      | 991                                                  | 363                                                                            |
| Oil transportation.....                | 368                                                  | 136                                                                            |
| Refining and marketing of oil products | 587                                                  | 501                                                                            |
| Petrochemicals.....                    | 6,460                                                | 5,063                                                                          |
| Other.....                             | 117                                                  | 111                                                                            |
| <b>Total.....</b>                      | <b>51,270</b>                                        | <b>19,390</b>                                                                  |

In 2024, final investment decisions were made on projects totalling KZT 4,972.3 billion (including KZT 3,558.8 billion attributable to the Issuer), including:

- Building the first integrated gas chemical complex in the Atyrau Region, Phase 2 (polyethylene production);
- Building the first integrated gas chemical complex in the Atyrau Region, Phase 2 (gas separation unit construction); and
- Expanding Caspi Bitum's oil refining capacity to 1.5 million tonnes per year by upgrading the existing EDD-AVDU unit.

#### *Upstream*

To successfully run its offshore projects in the Caspian sea, the Issuer develops respective service infrastructure. In 2021, the Issuer completed an upgrade of Kazakhstan's first jack-up floating drilling rig, Satti JUDR ("Satti"). The Satti is the first jack-up drilling rig built in Kazakhstan, and is a unique invention fully equipped with advanced technologies for challenging offshore drilling operations. After its upgrade in 2021, its lifting capacity increased from 453 to 680 tonnes, which gives new opportunities for larger projects. The rig is designed to drill wells up to 6,000 metres deep. The owner of Satti is a subsidiary of KMG, KMG Drilling & Services LLP, and the installation is managed by Caspian Drilling Company Ltd.

Work continues to add new reserves through further exploration at existing onshore fields. As an example, in 2024, Karaton Operating and Tatneft started to drill a 5,500-m deep exploration well. Drilling and testing are slated for completion in 2025. In addition, in 2024, Issuer started to drill prospecting wells at Taisogan-1 and Taisogan-2 projects. At the first stage of exploration, Issuer will drill eight independent prospecting wells with depth ranging from 400 to 3,800 m. Drilling is slated for completion before the end of 2025. In 2024, gas production commenced at the Rozhkovskoye, East Urikhtau, and South Aksay fields and preparatory work commenced on the Kalamkas-Sea-Khazar offshore project.

The Kalamkas-Sea-Khazar offshore project is a strategic offshore development initiative in the Kazakh sector of the Caspian Sea, comprising the Kalamkas-Sea, Khazar, and Auezov fields. The total estimated project cost is approximately U.S.\$ 6.4 billion, with U.S.\$ 3.2 billion expected to be borne by the Issuer.

Project design and front-end engineering activities commenced in 2024, with the final investment decision expected by the end of 2025. First oil from the Kalamkas-Sea field is targeted for 2030, with peak annual production forecasted at approximately 4 million tonnes of crude oil (2 million tonnes net to KMG).

Investments in geological exploration projects are primarily financed through carry funding provided by strategic partners. Under this mechanism, all costs incurred prior to a commercial discovery—i.e., all expenses related to the exploration stage—are borne by the strategic partners. KMG contributes its own capital to such projects only upon the confirmation of a commercial discovery.

In January 2025, Tengizchevroil commenced oil production under the Future Growth Project (FGP) at the Tengiz oil field. This achievement follows the 2024 completion of the Wellhead Pressure Management Project (WPMP), aimed at optimizing field operations and processing facilities. The FGP expansion is expected to boost crude oil output by 260,000 barrels per day at full capacity. At the Kashagan field, two expansion projects — Phase 2A and Phase 2B — are under consideration as part of Phase 2, with the objective of increasing crude oil and condensate

production to approximately 710 thousand barrels per day over the next decade. Under Phase 1, NCOC and QazaqGaz entered into the Evacuation Service Agreement in 2020, providing for the supply of up to 1 bcm per year of sour (associated) gas from the Kashagan Field to a gas processing plant being constructed by QazaqGaz. The project is expected to enable an increase in Kashagan oil production of approximately 20 thousand barrels per day. Commissioning of this 1 bcm per year gas processing plant is scheduled for late 2026. Under the Karachaganak Expansion Project, the fifth injection compressor was commissioned.

### *Midstream*

In 2024, with a view to developing the Trans-Caspian route, the Issuer and SOCAR signed an agreement for phased stepping up of oil transportation, which provides for an increase in the transit of Kazakhstan's oil via the Baku-Tbilisi-Ceyhan pipeline to 2.2 mln tonnes per year.

The approval of the terms of reference for the development of the feasibility study (FS) for the expansion of the Kazakhstan–China oil pipeline is expected to be finalised with the Chinese side by the end of the current year.

In 2023, Kazmortransflot, in partnership with AD Ports Group, acquired and commissioned two oil tankers with a deadweight of 8,000 tonnes each. As part of its continued fleet expansion strategy, the Company plans to launch a project in 2025 to acquire two Aframax-class crude oil tankers.

### *Downstream*

The Issuer completed an ambitious investment programme to upgrade three core refineries in Kazakhstan. As a result of this programme, the Issuer ramped up the refining capacity and improved product quality, fully met the domestic demand for oil products and expanded their exports to regional market.

The Issuer, in partnership with CNPC, conducts feasibility study of a large-scale investment project to expand the capacity of the Shymkent Refinery from 6 million tonnes per annum to 12 million tonnes per annum by 2030.

At the Pavlodar Refinery, construction of a new LPG treatment unit aimed at reducing mercaptan sulphur content has been completed. In parallel, a diesel fuel production upgrade project is ongoing, involving the reconstruction of the diesel hydrotreating unit and the addition of a dewaxing section. Completion of the project is expected by the end of 2025.

At the Atyrau Refinery, a large-scale modernisation project is in progress, aimed at improving overall performance through increased output of light oil products and the upgrade of key processing units. The project is scheduled for implementation between 2023 and 2028.

In 2025, the modernization of the Caspi Bitum plant was completed, increasing its processing capacity from 1.0 million tonnes per year to 1.5 million tonnes of oil per year and enabling annual production of up to 750 thousand tonnes of bitumen.

In 2024, KMG International advanced several strategic projects, including the ongoing installation of ultra-fast electric vehicle charging stations across the Rompetrol retail network. This initiative, co-financed by the European Union, will position Rompetrol as an active player in the EV charging market, supporting both growing consumer demand and evolving regulatory requirements. In 2025, the Group expects to commission a major investment project — a high-efficiency cogeneration plant at the Petromidia refinery platform. The facility will ensure a reliable supply of electricity and steam for the refinery's operations, with the option to feed surplus electricity into Romania's national grid.

### *Petrochemicals*

The Issuer is involved in implementation of a few petrochemical projects mostly in the Atyrau Region of Kazakhstan.

KPI operates the first phase of the integrated gas chemical complex in the Atyrau Region, launched in 2022 with a design capacity of 500 thousand tonnes per annum (ktpa). The facility is part of the integrated gas chemical complex located in the Atyrau region and forms a cornerstone of Kazakhstan's petrochemical development strategy.

Issuer is developing a large-scale polyethylene production plant with a design capacity of 1.25 million tonnes per annum. The project represents one of the most significant petrochemical investments in Kazakhstan and aims to diversify the national economy through the development of value-added production. Full-scale construction works commenced in 2024, and the plant is scheduled to be commissioned in 2029. The project is being implemented by Silleno, a joint venture in which Issuer holds a 40 per cent. stake.

The plant will rely on feedstock supplied by the adjacent Gas Separation Complex (GSP), currently under development. The facility will process up to 9.1 billion cubic metres of dry gas per year, with the capacity to extract approximately 1.6 million tonnes of ethane and 355 thousand tonnes of propane annually. The project is scheduled for implementation between 2024 and 2029. The project is being implemented by KMG PetroChem LLP.

As part of the development of petrochemical infrastructure, KMG PetroChem LLP is implementing a project for the construction of two dedicated main pipelines for the transportation of ethane and propane from the Tengiz field to processing facilities in the Atyrau region. The project is designed to ensure an annual transportation capacity of up to 1.6 million tonnes of ethane and up to 1.0 million tonnes of propane. The pipelines, each approximately 210 km in length, will serve as critical infrastructure for feedstock supply for Polyethylene and Polypropylene plants. The Feasibility Study documentation package has been completed for the Trunk Pipelines project and obtained a positive conclusion by Gosexpertiza RSE in 2024.

A project to construct a polyethylene terephthalate (PET) production facility with a capacity of up to 735 thousand tonnes per annum (ktpa) is being advanced by the Issuer through KMG PetroChem. The project is scheduled for implementation during the period 2026–2029. In 2025, the Issuer plans to finalise the strategic partnership and proceed to full feasibility development and project structuring.

The Issuer, through its subsidiary KMG PetroChem, is progressing a project to construct a urea production plant with a design capacity of up to 800 thousand tonnes per annum (ktpa). The implementation period scheduled for 2026–2029. A pre-feasibility study has been completed. In 2025, the Issuer intends to complete the feasibility stage and proceed to the practical implementation phase.

#### *State-Initiated Infrastructure projects*

The Issuer has completed several key infrastructure projects to help the communities in the regions of Kazakhstan in which the Group operates:

- upgrade of the Astrakhan–Mangyshlak water pipeline (owned and operated by KTO’s subsidiary), and
- formation water desalination plant at Karazhanbas field.

In 2023, the Issuer completed the Reconstruction and Expansion Project of the Astrakhan–Mangyshlak Main Water Pipeline, with a total cost of KZT 108.3 billion. The project was aimed at addressing the current water supply deficit and meeting the anticipated growth in water demand in the Atyrau and Mangystau regions of the Republic of Kazakhstan, thereby improving the region’s socio-economic conditions. As part of the project, two sections of the pipeline with a total length of 177 km were replaced. The project was financed through a loan from Halyk Bank of Kazakhstan JSC, bond issuances to Samruk-Kazyna JSC, and a loan from the Eurasian Development Bank (EDB).

In mid-2025, the Issuer completed the construction and installation works of the Kenderly Seawater Desalination Plant in the Mangystau region, with a design capacity of 50,000 cubic metres per day. The project aims to address water shortages in Zhanaozen and nearby settlements, reduce the load on the Astrakhan–Mangyshlak main water pipeline, and support regional socio-economic development. Commissioning began in July 2025, with operations expected to commence following successful system testing. The plant is planned to be transferred to municipal ownership. The total cost of the project is KZT 127.2 billion. The project is being financed with the own funds of Ozenmunaigas JSC, generated through state-provided exemptions on the mineral extraction tax.

In addition, to meet the growing domestic demand for gas processing products in the Mangystau region, the Issuer implements a strategic project to construct a new gas processing plant (GPP). The design capacity of the plant is up to 900 million cubic metres of raw gas per annum. The GPP will produce marketable dry gas, liquefied petroleum gas (LPG), pentane-hexane fraction, and commercial-grade sulphur. Commissioning of the plant is planned for 2027.

### *Current status*

For the year ending 31 December 2024, cash capital expenditures amounted to KZT 645 billion. To meet the growing domestic demand for refinery products, KMG is focused on strengthening supply to the local market. The Caspi Bitum plant has been modernized, increasing road bitumen production from 500 to 750 thousand tonnes per year. Future steps include expanding the Shymkent Refinery's capacity to 12 million tonnes per year and further developing the petrochemicals industry: a polyethylene project with a planned capacity of 1.25 million tonnes per year is currently under development.

### **Future Investments**

According to approved investment decisions, KMG plans to allocate approximately KZT 1,246 billion in development capital expenditures over 2025–2026, including the following areas:

- Exploration and production of oil and gas – KZT 82 billion;
- Investments at megaprojects – KZT 84 billion;
- Petrochemicals – KZT 709 billion;
- Oil and gas refining – KZT 245 billion, including new gas processing plant\* 195 billion;
- Desalination plant\* – KZT 47 billion;
- Other projects – KZT 79 billion.

*\* projects implemented under the instruction of the Head of State*

The Issuer intends to fund these capital expenditures through a combination of its own funds and borrowed funds.

### **Reserves**

As of 31 December 2024, the Issuer had:

- *Total Proved net reserves* of 2,741,430 thousand barrels (357,536 thousand tonnes) of oil and condensate and 3,888,474 million cubic feet (110,101 million cubic metres) of sales gas.
- *Probable net reserves* of 1,789,991 thousand barrels (234,059 thousand tonnes) of oil and condensate and 1,015,672 million cubic feet (28,775 million cubic metres) of sales gas.
- *Possible net reserves* of 581,368 thousand barrels (78,060 thousand tonnes) of oil and condensate and 184,972 million cubic feet (5,237 million cubic metres) of sales gas.

As of 31 December 2024, the Issuer had 2,267,198 thousand barrels of 3C net oil and condensate contingent resources.

The Issuer engages an external independent qualified consultant to prepare the reserves report using the PRMS methodology on an annual basis at the end of each year.

The 4,531,421 thousand barrels of the Issuer's proved-plus-probable net oil and condensate reserves and 4,904,146 million cubic feet (138,856 million cubic metres) of the Issuer's proved-plus-probable net sales gas reserves are attributed to its megaprojects Tengiz and Korolevskoye, Kashagan and Karachaganak, each of which was developed in partnership with leading global partners.

### **Exploration and Production**

#### **Overview**

The Issuer is a major oil and gas producer in Kazakhstan. In the year ended 31 December 2024, the Issuer produced 490 thousand barrels of oil per day (23,800 thousand tonnes), which represented 27 per cent. of the total crude oil

In addition, in the year ended 31 December 2024, the Issuer produced 9.6 billion cubic metres of gas (including the proportionate interest of joint ventures and associates), which represented 16 per cent. of the total gas production in Kazakhstan in 2024 based on information obtained from Situational Analytical Center of the Fuel and Energy Complex of the Republic of Kazakhstan JSC. The Issuer's major gas producing subsidiaries and interests are TCO and KPO, representing 15.63 per cent. (or 1.51 billion cubic metres) and 24.90 per cent. (or 2.4 billion cubic metres) of the Issuer's production of gas in 2024, respectively.

### ***Production and Development Assets***

| Company and Field        | per cent. Owner ship Interest | For the year ended 31 December |                   |                        |                      |                      |                   |                        |                      |                      |                   |                        |                      |
|--------------------------|-------------------------------|--------------------------------|-------------------|------------------------|----------------------|----------------------|-------------------|------------------------|----------------------|----------------------|-------------------|------------------------|----------------------|
|                          |                               | 2024                           |                   |                        |                      | 2023                 |                   |                        |                      | 2022                 |                   |                        |                      |
|                          |                               | Oil & Gas Condensate           |                   | Associated Gas         |                      | Oil & Gas Condensate |                   | Associated Gas         |                      | Oil & Gas Condensate |                   | Associated Gas         |                      |
|                          |                               |                                |                   |                        |                      |                      |                   |                        |                      |                      |                   |                        |                      |
|                          |                               | (thousand tonnes)              | (million barrels) | (million cubic metres) | (billion cubic feet) | (thousand tonnes)    | (million barrels) | (million cubic metres) | (billion cubic feet) | (thousand tonnes)    | (million barrels) | (million cubic metres) | (billion cubic feet) |
| TCO.....                 | 20.00                         | 5,562                          | 44.4              | 3,011                  | 106.3                | 5,779                | 46.1              | 3,202                  | 113.1                | 5,836                | 46.6              | 3,229                  | 114.0                |
| NCOC <sup>(1)</sup> ..   | 16.88                         | 2,885                          | 22.9              | 1,863                  | 65.8                 | 3,108                | 24.6              | 1,963                  | 69.3                 | 1,402                | 11.1              | 877                    | 31.0                 |
| KPO <sup>(2)</sup> ..... | 10.00                         | 1,097                          | 8.6               | 2,394                  | 84.6                 | 1,086                | 8.5               | 2,239                  | 79.7                 | 1,013                | 8.0               | 1,944                  | 68.7                 |
| MMG.....                 | 50.00                         | 3,085                          | 22.3              | 443                    | 15.6                 | 3,075                | 22.2              | 427                    | 15.1                 | 3,049                | 22.0              | 430                    | 15.2                 |
| EMG.....                 | 100.00                        | 2,790                          | 20.3              | 205                    | 7.2                  | 2,722                | 19.8              | 217                    | 7.7                  | 2,581                | 18.8              | 213                    | 7.5                  |
| OMG.....                 | 100.00                        | 5,098                          | 39.9              | 613                    | 21.6                 | 4,877                | 35.3              | 596                    | 21.0                 | 5,096                | 36.8              | 623                    | 22.0                 |
| Kazgermuna i.....        | 50.00                         | 521                            | 3.9               | 137                    | 4.8                  | 594                  | 4.4               | 129                    | 4.6                  | 651                  | 4.8               | 115                    | 4.1                  |
| KBM.....                 | 50.00                         | 1,077                          | 7.2               | 41                     | 1.4                  | 1,027                | 6.9               | 33                     | 1.2                  | 1,071                | 7.2               | 33                     | 1.2                  |
| PKI .....                | 33.00                         | 472                            | 3.7               | 109                    | 3.8                  | 515                  | 4.0               | 112                    | 4.0                  | 554                  | 4.3               | 127                    | 4.5                  |
| Kazakh oil Akto be.....  | 50.00                         | 238                            | 1.8               | 403                    | 14.2                 | 253                  | 1.9               | 402                    | 14.2                 | 281                  | 2.1               | 430                    | 15.2                 |
| Other .....              | 100.00                        | 1,013                          | 7.7               | 334                    | 11.8                 | 497                  | 3.6               | 140                    | 4.9                  | 479                  | 3.5               | 219                    | 7.7                  |
| Total .....              | —                             | 23,837                         | 179.5             | 9,554                  | 337.4                | 23,532               | 177.3             | 9,459                  | 334.0                | 22,012               | 165.2             | 8,241                  | 291.0                |

(2) Recognising that KPO is a consortium operating under a joint operating agreement, the Issuer also accounts for its interests in KPO under the proportionate consolidation method.

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thousand tonnes. The other fields of the Group contributed 1,620 thousand tonnes and 1,636 thousand tonnes for the same period of the six months ended 30 June 2024 and 2025.

The following table sets forth certain information relating to the production and development activities of the Issuer and its subsidiaries, joint ventures and associates at their respective significant fields as at 31 December 2024:

| Company and Field                  | per cent.<br>Ownership<br>Interest | Ownership<br>type | Year<br>Commenced | Expiration<br>of<br>Agreement                                                                                                    | Production<br>wells | Injection<br>wells |
|------------------------------------|------------------------------------|-------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| TCO: .....                         | 20.00                              | JV                | —                 | —                                                                                                                                | —                   | —                  |
| Tengiz and Korolevskoye Field..... | —                                  | —                 | 1993              | 2033                                                                                                                             | 235                 | 25                 |
| NCOC <sup>(1)</sup> : .....        | 16.88 <sup>(2)</sup>               | JV                | —                 | —                                                                                                                                | —                   | —                  |
| Kashagan Field.....                | —                                  | —                 | 2001              | 2041                                                                                                                             | 32                  | 6                  |
| KPO <sup>(2)</sup> :.....          | 10.00                              | JV                | —                 | —                                                                                                                                | —                   | —                  |
| Karachaganak Field.....            | —                                  | —                 | 1984              | 2037                                                                                                                             | 173                 | 24                 |
| MMG Fields: .....                  | 50.00                              | JV                | 1967-1992         | 2028                                                                                                                             | 4,112               | 1,3171             |
|                                    |                                    |                   | between           | between                                                                                                                          |                     |                    |
| EMG Fields .....                   | 100.00                             | subsidiary        | 1931-2020         | 2022-2048                                                                                                                        | 2,144               | 334                |
| Uzen Field .....                   | 100.00                             | subsidiary        | 1965              | 2036                                                                                                                             | 4,067               | 1,242              |
|                                    |                                    |                   |                   | Application<br>for contract<br>extension<br>until 2034 for<br>consideration<br>in the<br>Ministry of<br>Energy.<br>Current until |                     |                    |
| Kazgermunai Fields:.....           | 50.00                              | JV                | 1994              | 2024                                                                                                                             | 205                 | 60                 |
| KBM Fields: .....                  | 50.00                              | JV                | —                 | —                                                                                                                                | —                   | —                  |
| Karazhanbas Field .....            | —                                  | —                 | 1997              | 2035                                                                                                                             | 2,860               | 860                |
| PKI Fields: .....                  | 33.00                              | associate         | —                 | —                                                                                                                                | —                   | —                  |
|                                    |                                    |                   | between           | between                                                                                                                          |                     |                    |
| PKKR.....                          | —                                  | —                 | 1990-2018         | 2024-2043                                                                                                                        | 295                 | 3                  |
|                                    |                                    |                   |                   | Application<br>for contract<br>extension<br>until 2037 for<br>consideration<br>in the<br>Ministry of<br>Energy.<br>Current until |                     |                    |
| Kazakhoil Aktobe Fields: .....     | 50.00                              | JV                | 1999              | 2023                                                                                                                             | 97                  | 36                 |
|                                    |                                    |                   | between           | between                                                                                                                          |                     |                    |
| Other Fields .....                 | —                                  | n.a.              | 1994-2008         | 2035-2047                                                                                                                        | 199                 | 73                 |
| <b>Total</b> .....                 | <b>—</b>                           | <b>—</b>          | <b>—</b>          | <b>—</b>                                                                                                                         | <b>14,419</b>       | <b>4,034</b>       |

<sup>(1)</sup> The Issuer's interests are held through its consolidated subsidiary KMG Kashagan B.V., which in turn holds a 16.88 per cent. share in the Kashagan Field project.

<sup>(2)</sup> The Issuer's interests are held through its consolidated subsidiary KMG Karachaganak LLP, which in turn holds a 10 per cent. share in the Karachaganak Field project.

The following table sets forth certain information relating to new wells drilled by the Issuer and its subsidiaries, joint ventures and associates at their respective significant fields as at the dates and for the periods indicated:

|                   | New wells drilled   |                |                                |                |                     |                |                     |                |
|-------------------|---------------------|----------------|--------------------------------|----------------|---------------------|----------------|---------------------|----------------|
|                   | Production<br>Wells | Other<br>Wells | Production<br>wells            | Other<br>wells | Production<br>wells | Other<br>wells | Production<br>wells | Other<br>wells |
|                   | As of 30 June       |                | For the year ended 31 December |                |                     |                |                     |                |
|                   | 2025                | 2025           | 2024                           | 2024           | 2023                | 2023           | 2022                | 2022           |
| TCO .....         | 235                 | 42             | 234                            | 27             | 230                 | 25             | 224                 | 25             |
| NCOC .....        | 0                   | 0              | 0                              | 0              | 0                   | 0              | 0                   | 0              |
| KPO .....         | 3                   | 1              | 5                              | 1              | 4                   | 3              | 3                   | 0              |
| MMG .....         | 71                  | 2              | 121                            | 19             | 82                  | 11             | 151                 | 14             |
| EMG .....         | 18                  | 2              | 25                             | 0              | 31                  | 2              | 0                   | 0              |
| OMG .....         | 122                 | 10             | 202                            | 33             | 179                 | 33             | 167                 | 35             |
| Kazgermunai ..... | 1                   | 2              | 9                              | 2              | 8                   | 0              | 9                   | 3              |
| KBM .....         | 74                  | 10             | 73                             | 2              | 121                 | 14             | 106                 | 14             |

|                          | New wells drilled |             |                                |             |                  |             |                  |             |
|--------------------------|-------------------|-------------|--------------------------------|-------------|------------------|-------------|------------------|-------------|
|                          | Production Wells  | Other Wells | Production wells               | Other wells | Production wells | Other wells | Production wells | Other wells |
|                          | As of 30 June     |             | For the year ended 31 December |             |                  |             |                  |             |
|                          | 2025              | 2025        | 2024                           | 2024        | 2023             | 2023        | 2022             | 2022        |
| <i>PKKR Fields:.....</i> | 2                 | 0           | 7                              | 0           | 12               | 1           | 4                | 0           |
| <i>Kazakhoil Aktoke</i>  | 0                 | 0           | 0                              | 0           | 0                | 0           | 1                | 0           |
| .....                    |                   |             |                                |             |                  |             |                  |             |
| Other Fields.....        | 0                 | 0           | 4                              | 0           | 3                | 0           | 6                | 0           |
| <b>Total .....</b>       | <b>526</b>        | <b>69</b>   | <b>680</b>                     | <b>84</b>   | <b>670</b>       | <b>89</b>   | <b>670</b>       | <b>91</b>   |

(1) The Issuer's interests are held through its consolidated subsidiary KMG Karachaganak LLP, which in turn holds a 10 per cent. share in the Karachaganak Field project.

(2) Injection wells.

(3) Total production wells (operating and non-operating).

## Megaprojects

### TCO

TCO is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 060011, Kazakhstan, Atyrau, 3 Satpayev Street. TCO owns the single largest production field in Kazakhstan, is the Issuer's most significant joint venture in terms of production of oil. TCO operates the Tengiz Field in western Kazakhstan, which is among the largest fields under development in the world based on estimated reserves. TCO also operates the nearby Korolevskoye Field. The Government granted TCO exclusive rights to develop an area adjacent to the Caspian Sea (covering both the Tengiz and Korolevskoye Fields) under bespoke agreements (rather than a subsoil use contract) that may be extended by TCO beyond 2033.

### Tengiz and Korolevskoye Fields

As of 31 December 2024, the Tengiz and Korolevskoye Fields had estimated proved-plus-probable net reserves, as derived from the PRMS methodology, of oil and condensate of 174,000 thousand tonnes and proved-plus-probable net reserves of sales gas of 86,600 million cubic metres attributable to the Issuer, representing 21 per cent. and 33 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Tengiz Field, located in the Atyrau Oblast on the south side of the 500,000 square kilometres Pre-Caspian Basin on the north-eastern edge of the Caspian Sea, was discovered in 1979 and started producing in 1991. The Tengiz reservoir is more than 110 square kilometres in area at its top and 400 square kilometres at its base with a maximum thickness from the top of the reservoir to the bottom of the reservoir of about 1.5 kilometres. The top of the reservoir is 3,850 metres below sea level. The lowest known oil is 5,429 metres below sea level. The Tengiz reservoir is part of a large ring like complex 50 kilometres in diameter, which includes the Korolevskoye, Karaton, Tazhigali and Pustyn carbonate structures.

The Korolevskoye Field is located 20 kilometres northeast of the Tengiz Field. Prospecting and exploration drilling started in 1982, which became the year of the field's discovery.

The Tengiz Field's wellstock consisted of 201 production wells and 8 injection wells as at 31 December 2024. The Tengiz Field produced 5.562 million tonnes of crude oil attributable to the Issuer in 2024, 5.779 million tonnes of crude oil in 2023 and 5.835 million tonnes of crude oil in 2022, representing 23.38 per cent., 24.6 per cent. and 26.52 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the Tengiz Field produced an average of 15,197 tonnes of crude oil per day attributable to the Issuer.

The Tengiz Field produced 3,012 million cubic metres of associated gas attributable to the Issuer in 2024, 3,202 million cubic metres of associated gas attributable to the Issuer in 2023 and 3,229 million cubic metres of associated gas in 2022, representing 31.38 per cent., 33.71 per cent. and 39.38 per cent., respectively, of the Issuer's production of gas for such years.

Since the oil from Tengiz Field has a high sulphur content, it also sells sulphur to the markets. TCO sold 2.468 million tonnes of sulphur in 2024, 2.573 million tonnes of sulphur in 2023 and 2.590 million tonnes of sulphur in 2022.

### **Expansion Projects**

TCO has successfully completed the Future Growth Project (FGP) and the Wellhead Pressure Management Project (WPMP). As a result, oil production is set to increase by 12 million tonnes per year. In April 2024, WPMP facilities were commissioned, enabling full utilisation of production capacity.

As of 1 July 2025, project expenditures totalled \$47.7 billion, compared to the approved budget of \$48.9 billion. Overall project progress reached 100 per cent.

In January 2025, the first oil was produced at the Third Generation Plant (TGP). TCO has now reached its design capacity, with current daily production TGP at approximately 33,000 tonnes. Total daily oil output by TCO is around 120,000 tonnes. In June 2025, the commissioning certificate for the FGP/WPMP facilities was signed.

### **NCOC**

NCOC is a limited liability company organized under the laws of the Netherlands, acting through a branch in the Republic of Kazakhstan with its registered address at: 060002, Kazakhstan, Atyrau, 8, Smagulov Street. The Issuer has a direct 16.88 per cent. interest in NCOC through KMG Kashagan B.V. KMG Kashagan B.V. is a private limited liability company organized under the laws of the Netherlands, acting through a branch in the Republic of Kazakhstan with registered address at: 010000, Kazakhstan, Astana, 8 Kunayev Street.

### **Kashagan Field**

As at 31 December 2024, the Kashagan Field had proved-plus-probable net reserves of oil and condensate of 224,588 thousand tonnes and proved-plus-probable net reserves of sales gas of 13,477 million cubic metres attributable to the Issuer, representing 38 per cent. and 10 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

In 2001, a commercial discovery was made in the Kashagan Field in the North Caspian Sea, 80 kilometres southeast of Atyrau. The Kashagan Field extends over a surface of 820 square kilometres. The crude oil produced at the Kashagan Field typically has a maximum density of 798 kg per cubic metre, a sulphur content ranging from 0.68 per cent. to 0.90 per cent. and an average watercut of less than one per cent. Developing the Kashagan Field combines technical complexity and environmental challenges. The climate in this part of Kazakhstan is extreme with cold winters, hot summers, and drastic variations of temperature. Winters are harsh and temperatures can drop to -40°C, while summer temperatures can reach +40°C. See *“Risk Factors—Risks Relating to the Issuer's Business—A number of the Issuer's production fields are mature, and the Issuer may be unable to successfully develop, replace and grow its current oil and gas reserves”*. The sea water over the Kashagan Field is only 3-4 metres deep and is frozen for four to five months per year, from November to March, with an average ice thickness of 0.6-0.7 metres. The combination of ice, shallow waters and sea level fluctuations has represented a significant logistical challenge. The complicated natural and geological conditions at the Kashagan Field, as well as additional design enhancements to the offshore element of the project also added to the complexity of the project.

The Kashagan Field produced 2,885 thousand tonnes of oil condensate attributable to the Issuer share in 2024, as compared to 3,168 and 2,140 thousand tonnes of oil condensate in 2023 and 2022, respectively, representing 12.12 per cent., 13.49 per cent. and 9.73 per cent., respectively, of the Issuer's production of crude oil for those years. The Kashagan Field produced 1,857 million cubic metres of gas attributable to the Issuer in 2024 and 2,002 and 1,331 million cubic metres of gas attributable to the Issuer in 2023 and 2022, respectively, representing 19.34 per cent., 21.08 per cent. and 16.23 per cent., respectively, of the Issuer's gas production for those years.

### **Transfer of Interest to Samruk-Kazyna and Kashagan Call Option**

On 16 October 2015, Coöperatieve KazMunaiGaz U.A., which had been the sole shareholder of KMG Kashagan B.V., sold 50 per cent. of its shares to Samruk-Kazyna for U.S.\$4.7 billion, with a call option to buy back all or part of the shares at any time between 1 January 2018 to 31 December 2020. In January 2018, the exercise period for the call option was extended to between 1 January 2020 and 31 December 2022. On 16 October 2015, Samruk-Kazyna transferred the shares it purchased to be held in trust for it to Coöperatieve KazMunaiGaz U.A., a subsidiary of the Issuer, and the Group continues to manage the operations of KMG Kashagan B.V. As a result

of the sale, the Issuer deconsolidated approximately U.S.\$2.2 billion of indebtedness relating to the North Caspian Project, which, in turn, improved the Group's overall financial profile, reduced the Group's current debt service and, thereby, improved its overall liquidity position, and allowed the Group to continue to fund its on-going capital expenditure programme. On 14 September 2022, the Kashagan Call Option was amended by virtue of the exercise notice agreement, pursuant to which Coöperatieve KazMunaiGas U.A. exercised the Kashagan Call Option. On 15 September 2022, Issuer used the right under the share option agreement concluded in 2015 and acquired from Samruk-Kazyna a 50 per cent. of shares in KMG Kashagan B.V. for U.S.\$3.8 billion, thereby becoming the sole shareholder in KMG Kashagan.

## **Development Projects**

The phased development plan of the Kashagan Field provides for the drilling of new wells and the construction of artificial islands in the Caspian Sea and production plants. There were a number of delays to the start of commercial production from 2008 to 2013, which led to significantly increased capital expenditures. Further, sour gas leaks were detected in a section of the pipeline in September 2013, leading to a halt in production while diagnostics programmes were conducted on the gas and oil pipelines and further diagnostics assessments and tests were also conducted. See *“Risk Factors—Risks relating to the Issuer’s industry—The Issuer may be exposed to delays and cost over-runs in development projects and operations”*. In 2015, replacement works were carried out on the oil and gas pipeline, while maintenance, preservation and modernisation works were carried out on the production facilities. Commercial production at the Kashagan Field was re-commenced in November 2016.

Once sustainable production rates are achieved, two projects (Bundle 1 project of upgrading existing injection compressors and expanding their capacity, 1BCMA project to supply sour gas to a third party) were approved for execution to ramp up to plateau production with the potential to grow crude oil and condensate production to around 500 thousand barrels of oil per day (57 thousand tonnes per day) in the medium term. The Bundle 1 project would enable crude oil production to increase by 15–20 thousand barrels of oil per day (1.9–2.5 thousand tonnes per day). The cost of the project is around U.S.\$207 million. The Bundle 1 was successfully completed in Q3 2022.

In December 2020, NCOC and QazaqGaz signed the Evacuation Service Agreement, which envisages supply of 1 BCMA sour gas to the QazaqGaz gas plant and increasing oil production for additional 20 thousand barrels of oil per day. Currently 1BCMA project is at the execution stage.

Two separate projects, Phase 2A and Phase 2B, are being considered as part of Phase 2 to increase crude oil and condensate production to 710 thousand barrels of oil per day (89 thousand tonnes per day) over the next 10 years.

Currently, JSC NC QazaqGaz is constructing a gas processing plant (GPP) with a capacity of 1 billion m3/year. As of August 2025, NCOC has completed 97 per cent. of the work: the gas pipeline has been laid (it is in long-term conservation), and all mechanical installation work has been completed. The launch of the GPP is scheduled for the end of 2026, and the total cost of the project is estimated at 160.3 million US dollars. At the same time, the entry of a new investor - UCC Holding - may affect the project implementation schedule. The company is exploring the possibility of expanding production, including the Stage 2A project. At the end of July 2025, UCC Holding completed the pre-basic design with a feasibility study (FS). The launch of new production within this project is scheduled for 2029-2030.

## **KPO**

KPO is a limited liability company organized under the laws of the Netherlands, acting through a branch in the Republic of Kazakhstan with its registered address at: 090300, Kazakhstan, West-Kazakhstan region, Burlin district, Aksay, 81H, Industrial Zone Street. KPO is a consortium operating under a joint operating agreement among Shell (29.25 per cent.), Eni (29.25 per cent.), Chevron (18.0 per cent.), Lukoil (13.5 per cent.) and the Issuer (10.0 per cent.). The Issuer holds its interest in KPO through its wholly-owned subsidiary, KMG Karachaganak. KMG Karachaganak is a limited liability company organized under the laws of the Republic of Kazakhstan with its registered address at: 01000, Kazakhstan, Astana, 8 Kunayev Street. KPO operates the Karachaganak Field, which is one of the world's largest gas and condensate fields and the largest gas producing field in Kazakhstan.

## **Karachaganak Field**

As at 31 December 2024, the Karachaganak Field had estimated proved-plus-probable net reserves of oil and condensate of 20,364 thousand tonnes and proved-plus-probable net reserves of sales gas of 32,857 million cubic metres attributable to the Issuer, representing 3 per cent. and 24 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Karachaganak Field is a large gas-oil-condensate field located in north-western Kazakhstan, with an area of approximately 280 square kilometres. The field was discovered in 1979. The crude oil produced at the Karachaganak Field usually has a maximum density of 888 kg per cubic metre, a sulphur content ranging from 0 to 2.0 per cent. and an average watercut of up to 1.0 per cent.

The Karachaganak Field's wellstock consisted of 118 production wells and 20 injection wells as at 31 December 2024. The Issuer's share of production from the Karachaganak Field was 1.097 million tonnes of crude oil in 2024, 1.085 million tonnes of crude oil in 2023 and 1.01 million tonnes of crude oil in 2022, representing 4.61 per cent., 4.62 per cent. and 4.59 per cent. of the Issuer's production of crude oil for those years.

In 2024, production wells at the Karachaganak Field produced an average of 1,097 thousand tonnes of crude oil annually attributable to the Issuer. The Karachaganak Field produced 2,394 million cubic metres of gas attributable to the Issuer in 2024, 2,239 million cubic metres of gas attributable to the Issuer in 2023 and 1,944 million cubic metres of gas attributable to the Issuer in 2022, representing 24.90 per cent., 23.56 per cent. and 23.71 per cent., respectively, of the Issuer's gas production for those years.

Currently, the Operator is implementing the 2nd stage of the Karachaganak Expansion Project (KEP-1B) – installation of an additional 6th gas reinjection compressor into the reservoir in order to maintain reservoir pressure and increase oil recovery. Commissioning of the gas reinjection compressor will allow maintaining the production plateau at the level of 10-11 million tonnes per year. The launch of KEP-1B (the 6th compressor project) is planned for Q3 2026.

## ***Operating Assets***

### ***OMG Fields***

As of 31 December 2024, OMG had estimated proved-plus-probable net reserves of oil and condensate of 95,189 thousand tonnes, representing 16 per cent. of the Issuer's net reserves of oil and condensate, respectively.

The Uzen Field located in the Mangistau Oblast, the main field of OMG, was discovered in 1961 and started producing in 1965. Oil production at the Uzen Field is from 13 horizons in the Jurassic formation, located at depths shallower than 1,800 metres. The crude oil produced at the Uzen Field usually have a maximum density of 0.839 g per cubic centimetre, a sulphur content ranging from 0.16 per cent. to 0.24 per cent., a significant paraffinic content and an average watercut of 81.5 per cent.

The Uzen Field's wellstock consisted of 4,067 production wells and 1,242 injection wells as at 31 December 2024, including 133 new wells drilled in 2024. The Uzen Field produced 5.098 million tonnes of crude oil in 2024, 4.877 million tonnes of crude oil in 2023 and 5.096 million tonnes of crude oil in 2022, representing 21.43 per cent., 20.76 per cent. and 23.16 per cent., respectively, of the Issuer's production of crude oil for the respective years. In 2024, production wells at the Uzen Field produced an average of 4 tonnes of crude oil per well per day.

In 2024, the Uzen Field produced 613 million cubic metres of gas, representing 6.39 per cent. of the Issuer's production of gas. The Uzen Field produced 596 million cubic metres of gas in 2023 and 623 million cubic metres of gas in 2022, representing 6.27 per cent. and 7.60 per cent., respectively of the Issuer's production of gas for those years.

### ***EMG Fields***

As of 31 December 2024, the EMG fields had estimated proved-plus-probable net reserves of oil and condensate of 34,671 thousand tonnes, and proved-plus-probable net reserves of sales gas of 285 million cubic metres, representing 6 per cent., and 0.2 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The EMG fields produced 2.79 million tonnes, 2.7 million tonnes, and 2.6 million tonnes of crude oil in each of 2024, 2023 and 2022, representing 11.72 per cent., 11.49 per cent. and 11.82 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the EMG fields produced an average of 3.7 tonnes of crude oil per well per day. In 2024, the EMG fields produced 205 million cubic metres of gas, as compared to 217 million cubic metres of gas in 2023 and 213 million cubic metres of gas in 2022, representing 2.14 per cent., 2.28 per cent. and 2.84 per cent., respectively, of the Issuer's production of gas for those years.

The EMG fields comprise a total of 39 oil fields located around the northern and eastern shores of the Caspian Sea in the Atyrau Oblast. Of the producing EMG fields, the following eight fields are the largest in terms of reserves, as well as production volume: (i) Kenbai (East Moldabek/North Kotyrtas) Field; (ii) Nurzhanov Field; (iii) Kamyshitovoye Southwest Field; (iv) Botakhan Field; (v) Makat East Field; (vi) Zaburunye Field; (vii) Zhanatalap Field; and (viii) Kamyshitovoye Southeast Field.

The crude oil produced at the EMG fields typically has a maximum density of 895 kg per cubic metre, a sulphur content ranging from 0.1 per cent. to 1.5 per cent. and an average watercut of 75 per cent.

The EMG fields' wellstock consisted of 2,144 production wells and 334 injection wells as at 31 December 2024.

#### *KTM Fields*

KTM is a wholly-owned subsidiary of the Issuer. KTM includes a total of 6 fields located in Aktobe and Mangistau regions. As of 31 December 2024, KTM had estimated proved-plus-probable net reserves of oil and condensate of 4,233 thousand tonnes, representing 0.7 per cent. of the Issuer's net reserves of oil and condensate.

#### *Urikhtau Operating Fields*

As of 31 December 2024, the Urikhtau Field had estimated proved-plus-probable net reserves of oil and condensate of 7,533 thousand tonnes, and proved-plus-probable net reserves of sales gas of 21,507 million cubic metres, representing 1 per cent., and 15 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

UO's wellstock consisted of 22 production wells and 0 injection wells as at 31 December 2024.

UO produced 84 thousand tonnes and 20 thousand tonnes of crude oil in each of 2024 and 2023, representing 1.4 per cent. of the Issuer's production of crude oil for each year. In 2024, production wells at the UO Field produced an average of 70.7 tonnes of crude oil per day.

#### *MMG Fields*

MMG is an upstream oil and gas company owned by Mangistau Investments B.V. ("**MIBV**"), a 50/50 joint venture between the Issuer and CNPC Exploration and Development Issuer Ltd. The Issuer acquired its indirect interest in MMG (through MIBV) on 25 November 2009. MMG is one of the largest oil producers in Kazakhstan and operates the Kalamkas Field, one of the largest fields in Kazakhstan, pursuant to a subsoil use contract that expires in 2027, the Zhetybai Field and a few other smaller fields.

As of 31 December 2024, MMG had estimated proved-plus-probable net reserves of oil and condensate of 37,346 thousand tonnes, and proved-plus-probable net reserves of sales gas of 2,222 million cubic metres, representing 6 per cent., and 2 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Kalamkas Field produced 1.8 million tonnes of crude oil attributable to the Issuer in 2024, as compared to 1.8 and 1.8 million tonnes of crude oil in 2023 and 2022, respectively, representing 7.5 per cent., 7.5 per cent. and 7.6 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the Kalamkas Field produced an average of 4.9 tonnes of crude oil per day attributable to the Issuer.

The Kalamkas Field produced 53.9 million cubic metres of associated gas in 2024, 53.8 million cubic metres of gas in 2023 and 58.9 million cubic metres of gas in 2022, representing 0.6 per cent., 0.6 per cent. and 0.6 per cent., respectively, of the Issuer's production of gas for those years.

The Zhetybai Field, which is located in the Karakiyansky region of the Mangistau Oblast, adjacent to the Caspian Sea, was discovered in 1961 and started producing oil in 1967. The Zhetybai Field's wellstock consisted of 1,375 production wells and 474 injection wells as at 31 December 2024, including 50 new wells drilled in 2024.

The Zhetybai Field produced 1.3 million tonnes of crude oil in 2024, 1.3 million tonnes of crude oil in 2023 and 1.3 million tonnes of crude oil in 2022, representing 5.4 per cent., 5.4 per cent. and 5.3 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the Zhetybai Field produced an average of 3.5 tonnes of crude oil per day attributable to the Issuer. The Zhetybai Field produced 168.4 million cubic metres of associated gas in 2024, 161.2 million cubic metres of gas in 2023 and 152.2 million cubic metres of gas in 2022, representing 1.8 per cent., 1.7 per cent. and 1.6 per cent. of the Issuer's production of gas for each of those years, respectively.

#### *Kazgermunai Fields*

As of 31 December 2024, the Kazgermunai Fields had estimated proved-plus-probable net reserves of oil and condensate of 4,429 thousand tonnes, and proved-plus-probable net reserves of sales gas of 696 million cubic metres attributable to the Issuer through KMG EP, representing 0.7 per cent., and 0.5 per cent. of the Issuer's net reserves of oil and condensate, and sales gas, respectively.

The Kazgermunai Fields' wellstock consisted of 205 production wells and 60 injection wells as at 31 December 2024, including 9 new wells drilled in the year ended 31 December 2024.

The Kazgermunai Fields produced 0.521 million tonnes, 0.954 million tonnes and 0.651 million tonnes of crude oil in each of 2024, 2023 and 2022, in each case attributable to the Issuer through KMG EP, representing 2.19 per cent., 4.06 per cent. and 2.96 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the Kazgermunai Fields produced an average of 15.6 tonnes of crude oil per day attributable to the Issuer through KMG EP.

The Kazgermunai Fields produced 137 million cubic metres of gas in 2024, 129 million cubic metres of gas in 2023 and 115 million cubic metres of gas in 2022, which was attributable to the Issuer, representing 1.43 per cent., 1.36 per cent. and 1.40 per cent., respectively, of the Issuer's production of gas for those years.

#### *KBM Fields*

As of 31 December 2024, KBM had estimated proved-plus-probable net reserves of oil and condensate of 14,049 thousand tonnes attributable to the Issuer, representing 2 per cent. of the Issuer's net reserves of oil and condensate.

The Karazhanbas Field, located in the Mangistau Oblast, was discovered in 1974 and started producing in 1980.

The Karazhanbas Field's wellstock consisted of 2,860 production wells and 860 injection wells as at 31 December 2024, including 75 new wells drilled in the year ended 31 December 2024.

The Karazhanbas Field produced 1.077 million tonnes, 1.027 million tonnes and 1.071 million tonnes of crude oil in each of 2024, 2023 and 2022, representing 4.53 per cent, 4.37 per cent. and 4.87 per cent. of the Issuer's production of crude oil for each year. In 2024, production wells at the Karazhanbas Field produced an average of 20 tonnes of crude oil per day.

The Karazhanbas Field produced 102 million cubic metres of associated gas in 2024, 127 million cubic metres of associated gas in 2023 and 197 million cubic metres of associated gas in 2022, representing 1.06 per cent., 1.34 per cent. and 2.05 per cent. of the Issuer's production of gas in each such year, respectively.

#### *PKKR Fields*

As of 31 December 2024, PKKR's fields had estimated proved-plus-probable net reserves of oil and condensate of 1,846 thousand tonnes, attributable to the Issuer through PKI, representing 0.3 per cent. of the Issuer's reserves of oil and condensate.

PKI is a company organized under the laws of Canada with its registered address at: Suite 1460-140 4 Ave SW Calgary, AB T2P 3N3 Canada.

The exploration and development activity of PKI is performed by Kazgermunai (in which PKI has a 50 per cent. interest) and PKKR, PKI's wholly-owned subsidiary. For details of Kazgermunai's operations, see “–Kazgermunai”.

The PKKR fields' wellstock (including those of affiliated companies) consisted of 411 production wells and 3 injection wells as at 31 December 2024, including 7 new wells drilled in the year ended 31 December 2024.

The PKKR fields produced 472 thousand tonnes of crude oil in 2024, 515 thousand tonnes in 2023 and 554 thousand tonnes of crude oil in 2022, including production attributable to the Issuer through PKI, representing 1.98 per cent., 2.19 per cent. and 2.52 per cent., respectively, of the Issuer's production of crude oil for those years. In 2024, production wells at the PKKR fields produced an average of 10 tonnes of crude oil per day attributable to the Issuer through PKI.

The PKKR fields produced 109 million cubic metres of gas in 2024, 112 million cubic metres of gas in 2023 and 127 million cubic metres of gas in 2022, which were attributable to the Issuer through PKI, representing 1.14 per cent., 1.18 per cent. and 1.55 per cent., respectively, of the Issuer's production of gas for those years.

#### *Kazakhoil Aktobe Fields*

As of 31 December 2024, the Kazakhoil Aktobe Fields had estimated proved-plus-probable net reserves of crude oil of 7,589 thousand tonnes and proved-plus-probable net reserves of sales gas of 2,154 million cubic metres attributable to the Issuer, representing 1 per cent. and 2 per cent. of the Issuer's net reserves of crude oil and sales gas, respectively.

The Kazakhoil Aktobe Fields produced 403 million cubic metres of gas attributable to the Issuer in 2024, 402 million cubic metres of gas in 2023 and 430 million cubic metres of gas in 2022, representing 4 per cent., 4 per cent. and 5 per cent., respectively, of the Issuer's production of gas for those years.

#### *Dunga Operating GmbH*

On 9 October 2023, KMG signed a purchase agreement with Totalenergies EP Denmark A/S for the acquisition of 100 per cent. of the shares of Total E&P Dunga GmbH (renamed to Dunga Operating GmbH in December 2023), engaged in the exploration and production of crude oil and natural gas in Dunga field. On 20 November 2023, the transaction was completed after the re-registration of Dunga Operating GmbH shares to KMG. KMG has obtained control over Dunga Operating GmbH, a subsidiary, increasing the KMG share in the hydrocarbon resource base and production of the crude oil and natural gas on the RK market. KMG's share in the Dunga subsoil use project is 60 per cent. The project's goal is the development of the Dunga field, as per the Production Sharing Agreement (PSA) dated 1 May 1994. The PSA was extended in 2019 until 2039. The operator of the project is the Dunga Operating GmbH branch in the Republic of Kazakhstan. The project participants are KMG (60 per cent.), Oman Oil (20 per cent.), and PTTEP (20 per cent.).

As of 1 January 2025, the remaining recoverable reserves are 16,384 thousand tonnes of oil and 754.6 million cubic metres of gas. Work is currently underway to recalculate reserves, with an expected increase of 9 per cent.

Actual oil production for 2024 was 630 thousand tonnes, exceeding the plan of 577 thousand tonnes. The production plan for 2025 is 649 thousand tonnes of oil and 48 million cubic metres of gas. Actual oil production for the first 6 months of 2025 was 340 thousand tonnes (KMG's share: 204 thousand tonnes), compared to a plan of 332 thousand tonnes (KMG's share: 199 thousand tonnes). As of July 29, 2025, cumulative oil production reached 9 million tonnes.

Dunga Operating GmbH independently transports and sells the shares of oil and gas for all parties in the Dunga PSA (including the Republic's share and partners Oman Oil and PTTEP). According to the Dunga PSA, 15 per cent. of the total annual oil production is sold to the domestic market, and 85 per cent. is exported. Currently, Dunga Operating GmbH sells oil on FOB CPC terms for export and to a local refinery.

The operator is implementing the Dunga Phase 3 project (since 2019), which involves expanding surface infrastructure and connecting 61 previously drilled wells to production. The total investment for the project is 289 million US dollars, with 89 per cent. of the work completed to date. The remaining work includes converting 6 wells for water injection by the end of 2025 and constructing a new export pipeline by the end of 2026.



## ***Exploration Projects***

Due to the mature nature of many of its fields, the Issuer has identified exploration as a key aspect of its long-term strategy to keep production stable. The Issuer must actively pursue exploration opportunities in order to maintain its current reserves base and to support its long-term production growth strategy. The Issuer believes it will generate sufficient exploration prospects by exercising its rights as beneficiary of the state's priority right to acquire interests in subsoil use contracts and entities that are party to subsoil use contracts offered for sale. Both the development of the Issuer's national upstream offerings in Kazakhstan and the strengthening of the Issuer's position as a key stakeholder in the Kazakhstan oil and gas sector are key strategic aims for the Issuer. See "—Strategy".

### ***Kalamkas-Sea – Khazar project***

The Kalamkas-Sea–Khazar project is a strategic initiative to develop offshore hydrocarbon fields in Kazakhstan's part of the Caspian Sea. It comprises three key fields – Kalamkas-Sea, Khazar, and Auezov.

The main participants are KMG and LUKOIL, and the operator is Kalamkas-Khazar Operating.

Kalamkas-Sea is located in the centre of the north-eastern part of the Caspian Sea at a depth of 6–7 m. Productive are Middle Jurassic horizons. Khazar is located in Kazakhstan's part of the Caspian Sea within the Mangistau Region. Discovered in 2000, in 2007 mini-DST helped produce oil flow while drilling from the Khazar-1 well. Later, the Issuer conducted a 3D seismic survey at Khazar to update geological data, determine the geometry of the pay zone, and perform sedimentary basin analysis to study sand bodies.

The field's Middle and Lower Jurassic formations present an oil and gas bearing potential.

In 2024, exploration, pre-drilling, engineering, survey, and infrastructure preparations delivered good results. The reprocessing and reinterpretation of 3D seismic data for Kalamkas-Sea are finished, and the Definition phase, contracting and tendering preparations along with various workshops are completed.

### ***Karaton Subsalt project***

A joint project of KMG and Tatneft to prospect for and explore green hydrocarbon fields at Karaton Subsalt located in the Atyrau and Mangistau regions on the border with Tengiz.

Karaton Operating is the subsoil user according to the exploration and production contract signed in 2023. The contract is effective for 43 years, including 18 years of exploration and 25 years of production.

Partners are KMG (50 per cent.) and Tatneft (50 per cent.). Tatneft provides up to USD 160 million in carry financing for the project.

KMG estimates recoverable resources at 133 million tonnes of oil (1,047 million bbl). Prospective formations mainly lie at a depth of up to 5,500 metres. The Issuer will drill a minimum of one prospecting well.

Karaton Subsalt is adjacent to Tengiz which makes it strategically important for exploration and further oil production. However due to its complex geology, the block requires cutting-edge drilling and exploration solutions to be applied.

On 23 November 2024, the Issuer started to drill an SG-8 prospecting well with a design depth of 5,500 metres. The first stage of drilling 2,410 metres is now completed.

The Issuer is currently mobilising drilling equipment, preparing infrastructure, and procuring the required materials.

In July 2025, KMG embarked on the second stage of drilling the SG-8 well, including continued drilling, geophysical surveys, and core sample testing. Exploration will be ongoing to update the profiles of productive horizons.

### ***Subsoil exploration project***

In 2022, the Geology Committee of Kazakhstan's Ministry of Ecology, Geology and Natural Resources issued three- year licences to perform pro-active seismic surveying at five blocks – Berezhovsky, Bolashak, Northern Ozen, Zharkyn, and Mugodzhary. Zharkyn, Bolashak, and Northern Ozen are located in the Mangistau Region, with the western Bolashak jutting out into the Caspian Sea. Mugodzhary and Berezhovsky are located in the Aktobe and West Kazakhstan regions, respectively.

KMG Barlau, KMG's 100 per cent. subsidiary, is the licence owner. KMG provides full financing for the project by increasing KMG Barlau's authorised capital.

At Northern Ozen, KMG Barlau performed a 3D seismic survey of 401 km<sup>2</sup> followed by data processing and interpretation. Zharkyn, Berezhovsky, Mugodzhary, and Bolashak saw 2D seismic of 4,875 linear km in total.

Processing and interpretation of seismic data for Zharkyn, Berezhovsky, and Northern Ozen are completed. For Bolashak, historical data for 1,600 linear km are reprocessed and reinterpreted.

Berezhovsky project has attracted the interest of strategic partnership from Lukoil, Sinopec. On 16 June 2025, KMG and SINOPEC signed agreements on joint activities and financing for the Berezhovsky exploration project. On 22 July 2025, direct negotiations were held with the Ministry of Economic Development and Trade of the Republic of Kazakhstan.

In 2024, the Issuer entered into a contract with Karamarzhan Group for the Bolashak project. The Bolashak subsoil use area, located in the Mangystau region, is planned to be developed through the drilling of two exploration wells to depths of 3,500 and 4,500 metres, as well as to carry out 3D seismic surveys over an area of 432 km<sup>2</sup>. Drilling of the first well (3,500 metres) is scheduled to commence by the end of 2025.

The Issuer obtained subsoil exploration licences (geological exploration and appraisal project 2.0) for three new blocks – Bereke, Shygys, and Southern Shu-Sarysu.

#### *Al-Farabi project*

The area of the Al-Farabi site exceeds 6,047 square kilometres.

On 7 October 2020, Issuer and Lukoil signed an agreement of participants on Project Al-Farabi in Kazakhstan's sector of the Caspian Sea, defining the rights and obligations of Issuer and Lukoil regarding the operations of the future subsoil user under the project. On 19 May 2021, a hydrocarbon exploration and production contract No. 4914-UVS ME was signed for the Al-Farabi site. On 26 July 2021, the Ministry of Energy, the Issuer and Al-Farabi Operating LLP signed Addendum No. 1 to the Contract for the transfer of subsoil use rights from the Issuer to Al-Farabi Operating LLP.

On 24 September 2021, a sale and purchase agreement between Lukoil and the Issuer for the acquisition by Lukoil of a 49.99 per cent. interest in the charter capital of Al-Farabi Operating LLP entered into force. Under the financing agreement dated 11 November 2021 entered into by Al-Farabi Operating LLP and Lukoil, Lukoil will provide 100 per cent. of the project's financing during the exploration period through carry-financing.

As at 31 December 2024:

- The reprocessing and reinterpretation of 2D seismic data for 4,000 linear km (Stage 2) are completed.
- Public hearings for a 3D seismic project for 550 km<sup>2</sup> are held.
- An exploration project and Addendum 1 are approved.
- The Issuer completed modelling for the Middle Caspian using data for the Tsentralnoye field and a new V-1 well at Zhenis.
- An addendum to the 3D seismic project is being drafted to reduce the volume and change timelines

### *Bekturly Vostochny project*

Bekturly Energy Operating is the operator for the Bekturly Vostochny project, with KMG (50 per cent.) and Kokel Munay LLP (50 per cent.) being the project participants.

Kokel Munay LLP covers 100 per cent. of project costs. As at 31 December 2024, hydrocarbon evaluation is completed. The project is currently in the trial operation stage.

### *Project Northern Ozen*

The Northern Ozen project is fully owned by KMG, with LLP “KMG Barlau” acting as the operator. The exploration period spans from 2015 to 2033. Geological resources are estimated at 10.3 million tonnes of oil and 439 million cubic metres of gas. The project is fully financed by KMG. Under the contract work programme, two exploration wells are planned to be drilled to depths of 2,000 m and 1,650 m. At present, the operator is carrying out preparatory activities for drilling these wells.

### *Project Zhylyoy*

The Zhylyoy project is a joint venture between KMG and CNOOC, each holding a 50 percent interest. The operator is LLP “Zhylyoy Operating”, which is currently being established. Exploration works are scheduled for the period from 2025 to 2034. Recoverable oil resources are estimated at 29.4 million tonnes, including both supersalt and subsalt horizons. CNOOC finances the project on a carry basis. The contract work programme includes a 3D field seismic survey covering 400 linear kilometres and the drilling of a supersalt exploration well to a depth of 2,000 m or down to the salt roof. On 24 June 2025, a subsoil use contract was signed between the Ministry of Energy of the Republic of Kazakhstan, KMG and CNOOC.

### *Project Khvalynskoye*

The area of the Khvalynskoye Field is 3,199 square kilometres.

The Khvalynskoye Field is located in the Russian sector of the Caspian Sea. Project Khvalynskoye is being implemented on the basis of the Agreement between Kazakhstan and Russia on the delimitation of the seabed of the northern part of the Caspian Sea in order to exercise sovereign rights to subsoil use dated 6 July 1998 and the Protocol dated 13 May 2002. Lukoil and the Issuer have been appointed as the authorised organisations on behalf of Russia and the Republic of Kazakhstan respectively.

In 2005, a joint venture was established under Russian law (Caspian Oil and Gas Company LLC (“**Caspian OGC**”)), in which the Issuer and Lukoil each hold a 50 per cent. participatory interest. The project participants are financing Caspian OGC with interest-bearing loans on a parity basis. These will be repaid by the revenues generated by Project Khvalynskoye.

The project relies on the agreement between Kazakhstan and Russia on delimiting the bottom of the northern Caspian Sea to exercise sovereign subsoil use rights.

Recoverable hydrocarbon reserves (geological/ recoverable) are estimated to be 250.5 billion m<sup>3</sup> of gas, 46.4 million tonnes of oil, and 7.8 million tonnes of gas condensate.

As at 31 December 2024:

- A production sharing agreement is at the stage of drafting.
- Due to Gazprom’s exclusive right to export pipeline gas under Russian law, negotiations are underway with the company on gas selling terms and obtaining a 25 per cent. interest in the project.
- In 2021, an addendum to the development scheme was drafted and reserves were estimated.

As of 30 June 2025, exploration activities remain on hold, with the project’s further development contingent upon broader macroeconomic conditions.

### *Tsentralnaya project*

The project relies on the agreement between Kazakhstan and Russia on delimiting the bottom of the northern Caspian Sea to exercise sovereign subsoil use rights.

Tsentralnaya Oil and Gas Company is the operator and the project is a 50/50 joint venture between KMG and TsentrCaspneftegaz, which is a 50/50 joint venture of LUKOIL and Gazprom (Russia).

A hydrocarbon exploration and production licence within the boundaries of Tsentralnaya is in place. Recoverable reserves are estimated at 90.9 million tonnes of oil, 41.7 billion m<sup>3</sup> of gas, and 2.5 million tonnes of gas condensate.

In 2021, the project saw a feasibility study prepared which resulted in negative economic viability for all development options. In 2022, an exploration licence was extended, with an appraisal well to be drilled before 2031. Appraisal is currently expected to be completed in 2034.

As of 30 June 2025, exploration activities remain on hold, with the project's further development contingent upon broader macroeconomic conditions.

### *Project Kurmangazy*

The Kurmangazy project is being implemented under the Agreement between Kazakhstan and the Russian Federation on the delimitation of the bottom of the northern part of the Caspian Sea to exercise sovereign subsoil use rights dated 6 July 1998 and the Protocol to it dated 13 May 2002 (as amended on 25 January 2006 and 9 November 2017) (the "**Interstate Agreement**"). Production sharing agreement No. 1787 for Project Kurmangazy was concluded on 6 July 2005 (the "**Kurmangazy PSA**").

KazMunayTeniz Offshore Oil Company LLP ("**KMT**"), an affiliated structure of the Issuer and RN-Exploration LLC, an affiliated structure of Rosneft each hold a 50 per cent. interest in Project Kurmangazy. The project operator is Kurmangazy Petroleum LLP, a wholly-owned subsidiary of the Issuer.

The area of the contract territory is 5,959 square kilometres. The main promising geological structures are Rigid, Kalniyaz, Madina and Tattimbet.

The project participants finance Project Kurmangazy at their own expense on a parity basis.

Certain seismic works have been conducted and two exploratory wells have been drilled. The exploration period under the Kurmangazy PSA ended on 31 July 2011, although the Kurmangazy PSA was not terminated.

On 17 November 2017 the presidents of Kazakhstan and Russia signed an Additional Protocol to the Interstate Agreement, which provides for the expansion of the area of the Kurmangazy site and a new exploration period of six years, with the possibility of an extension of up to four years.

On 11 April 2024, KMG and Kazakhstan's Ministry of Energy signed Addendum 3 to the production sharing agreement which transferred subsoil rights of MNC KazMunayTeniz to KMG.

At present, the parties are negotiating with government authorities to agree upon economic terms of the production sharing agreement and draft Addendum 4 providing for extended exploration and subsoil area expansion.

### ***Oil Field Development and Rehabilitation***

The overall level of crude oil production from the fields described herein has been, and will continue to be, affected by several key factors, including the relative age of the fields and, to a lesser degree, the characteristics of the oil and the complex geological formations of the reservoirs. For example, the Uzen Field and several of the EMG fields with the largest reserves and production volumes contain highly paraffinic oil within shallow, low permeability formations. Additionally, oil from the EMG fields also tends to have a high water content, or watercut. Taken together, these factors make oil from the EMG fields difficult to extract and in some cases transport. However, the Issuer's long production history has provided it with a comprehensive understanding of the geology of its fields. The relatively shallow depth and predominantly onshore location of its reservoirs have generally enabled the Issuer to produce oil in a more cost efficient manner than if the reservoirs were deeper or were offshore.

The Issuer, its subsidiaries and its joint ventures apply a wide variety of field development and rehabilitation techniques, such as drilling new wells, drilling injection wells and utilising secondary, enhanced recovery and well stimulation techniques, including fracking and various chemical and thermal methods. The Issuer does this to meet its strategic objective of sustaining its current production levels.

### Competition

The Issuer does not foresee competition for reserves from regional and international oil and gas companies, since the Issuer is the beneficiary of the state's priority right to acquire interests in subsoil use contracts with respect to strategic subsoil deposits.

### Transportation of Crude Oil

#### Overview

The Group partially owns and solely operates the largest crude oil pipeline network in Kazakhstan in terms of length and throughput capacity. As at 31 December 2024, 2023 and 2022, the total length of the Issuer's oil pipeline system was 9 thousand kilometres.

The Issuer (including through its joint ventures) transported 70.3 million tonnes, 69.5 million tonnes and 65.3 million tonnes of crude oil through its pipeline network (including Batumi Oil Terminal) in 2024, 2023 and 2022, respectively.

The following table sets forth certain information with respect to the pipeline segments owned and operated by the Issuer as at 31 December 2024:

| Pipeline                                          | Kilometres of pipelines | Throughput capacity <sup>(1)</sup> | Primary source of crude oil      |
|---------------------------------------------------|-------------------------|------------------------------------|----------------------------------|
| <i>KTO System: .....</i>                          | 5,373                   | differing                          | All Kazakhstan                   |
| <i>Kazakhstan-China Pipeline: .....</i>           | 1,759                   | 20                                 | Aktobe region, Kumkol oil field  |
| <i>MunaiTas: .....</i>                            | 449                     | 6                                  | Aktobe and Atyrau regions        |
| <i>CPC Pipeline Consortium<sup>(3)</sup>.....</i> | 1,510                   | 81.5                               | Western Kazakhstan, Tengiz Field |
| <b>Total.....</b>                                 | <b>8,039.46</b>         | <b>—</b>                           |                                  |

<sup>(1)</sup> millions of tonnes per year for crude oil (annualised).

<sup>(2)</sup> The Issuer holds a 20.75 per cent. interest in CPC (as at 31 December 2024) and does not operate the CPC pipeline.

#### KTO Pipeline System

Kazakhstan's pipeline infrastructure, except for the CPC pipeline, is owned by KTO – the national oil pipeline operator, its two joint ventures (KCP and MunaiTas). The existing pipeline infrastructure in Kazakhstan has adequate potential to support increased oil transportation volumes from promising projects.

#### KTO

KTO is a joint-stock company organized under the laws of the Republic of Kazakhstan with its registered address at: 010000, Kazakhstan, Astana, 20 Turan Avenue. KTO is the national oil pipeline operator of Kazakhstan. KTO owns an extensive network of trunk oil pipelines with a total length of 5,373 kilometres, to which virtually all oil fields in Kazakhstan are connected. The Issuer transports oil to Kazakhstan's four major refineries, pumps oil for export via the Atyrau–Samara pipeline, transships oil to the CPC and Atasu–Alashankou export pipelines, and transships oil to tankers in the port of Aktau and onto rail tank cars. Oil transportation via trunk oil pipelines is

supported by 36 oil pumping stations, 67 heaters, and a tank farm for oil storage with a total capacity of 1.4 million cubic metres. KTO also provides operation and maintenance services for the trunk oil pipelines of KCP, MunaiTas, KPO, CPC-K, and Turgai Petroleum, as well as for the trunk water line of Main Waterline LLP.

KCP is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 050008, Kazakhstan, Almaty, 109 V Abay Avenue. KCP operates the KCP pipeline, a pipeline network that connects western Kazakhstan with the Chinese border, which is comprised of the following sections: (i) the Atasu-Alashankou pipeline; and (ii) the Kenkiyak-Kumkol pipeline.

The following tables set forth certain information with respect to volumes of oil transported for the periods indicated:

#### Volume of Oil Transportation (thousand tonnes)

| Company                                  | 2024          | 2023          | 2022          |
|------------------------------------------|---------------|---------------|---------------|
| <b>KTO (100 per cent.)</b> .....         | <b>44,887</b> | <b>44,188</b> | <b>40,656</b> |
| export.....                              | 17,253        | 16,618        | 12,762        |
| transit.....                             | 10,214        | 10,143        | 9,989         |
| domestic market.....                     | 17,420        | 17,426        | 17,905        |
| <b>KCP (100 per cent.)</b> .....         | <b>18,789</b> | <b>18,806</b> | <b>19,236</b> |
| export.....                              | 1,200         | 1,209         | 1,290         |
| transit.....                             | 9,979         | 9,979         | 9,980         |
| domestic market.....                     | 7,610         | 7,618         | 7,966         |
| <b>MunaiTas (100 per cent.)</b> .....    | <b>5,791</b>  | <b>5,527</b>  | <b>5,606</b>  |
| export.....                              | 1,171         | 1,114         | 1,188         |
| domestic market.....                     | 4,620         | 4,413         | 4,418         |
| <b>CPC (100 per cent.), export</b> ..... | <b>63,007</b> | <b>63,474</b> | <b>58,711</b> |

In 2024, trunkline oil transportation was up by 1.0 per cent. to 70,309 thousand tonnes. This growth can be attributed to the transshipment of oil from the Kashagan and Karachaganak fields to the Atyrau-Samara and Caspian Pipeline Consortium pipelines through KTO's network, as well as higher domestic transportation to Kazakh refineries.

As at 30 June 2024 and 2025, the volume of oil transportation for KTO was 22,265 and 22,268 thousand tonnes, respectively, for KCP was 4,563 and 4,804 thousand tonnes, respectively, for MunaiTas was 1,395 and 1,484 thousand tonnes, respectively and for CPC (on a net to KMG basis) was 6,891 and 7,575 thousand tonnes, respectively.

#### Tariffs for Oil Transportation to the Domestic Market, KZT per tonne per 1,000 km

| Company                                | 2024  | 2023  | 2022  |
|----------------------------------------|-------|-------|-------|
| <b>KazTransOil</b> .....               | 4,742 | 4,602 | 4,356 |
| <b>Kazakhstan-China Pipeline</b> ..... | 4,839 | 4,359 | 4,359 |
| <b>MunaiTas</b> .....                  | 5,912 | 5,912 | 5,912 |

#### Weighted Average Tariffs for Oil Transportation for Export

| Company                                                    | 2024   | 2023  | 2022  |
|------------------------------------------------------------|--------|-------|-------|
| KazTransOil, KZT per tonne per 1,000 km.....               | 10,150 | 9,490 | 8,831 |
| Kazakhstan-China Pipeline, KZT per tonne per 1,000 km..... | 6,799  | 6,799 | 6,799 |
| MunaiTas, KZT per tonne per 1,000 kilometres.....          | 5,912  | 5,912 | 5,912 |
| Caspian Pipeline Consortium, USD per tonne.....            | 36     | 36    | 36    |

For the year ended 31 December 2024, the revenue generated from the transportation of oil and gas, as well as transshipment of oil and petroleum products totalled KZT 215.5 billion.

#### *Uzen-Atyrau-Samara pipeline*

KTO operates the UAS pipeline, which consists of two pipeline sections: Uzen-Atyrau and Atyrau-Samara. As at 31 December 2024, the length of the UAS pipeline was 1,238 kilometres (Kazakhstan section) and it had a throughput capacity of 17.5 million tonnes of crude oil per year.

The Atyrau-Samara oil pipeline is the second by Kazakhstan oil export to the global market. Oil is supplied via the Atyrau-Samara oil pipeline and further via the Transneft system up to Ust-Luga Baltic terminal and

Novorossiysk Black Sea port. In June 2022, the Government of Kazakhstan introduced the Kazakh Export Blend Crude Oil (“**KEBCO**”) designation to differentiate Kazakh-origin barrels from Russian Urals when transported and marketed via Russian infrastructure. KEBCO cargoes are accompanied by certificates of origin and are recognised by international refiners and traders as distinct from Urals crude.

In 2024, 8.8 million tonnes of Kazakhstan oil were transported via the Atyrau – Samara oil pipeline. Decreased oil supply via this pipeline by 5 per cent. compared to 2023 is related to the need to supply oil to Pavlodar Refinery.

#### *Kazakhstan-China Pipeline System*

In 2004, KTO and CNPC created KCP, in which each hold a 50 per cent. interest (as at 31 December 2024). KCP is the owner of the Atasu–Alashankou (965 km) and Kenkiyak–Kumkol (794 km) oil pipelines. The company transports Kazakhstan’s oil and transit Russian oil to China and to the domestic market.

Oil transportation via KCP LLP main oil pipelines in 2024 was 18.79 million tonnes, which is at the level of 18.81 million tonnes produced in 2023.

#### *Kenkiyak-Kumkol Pipeline*

KCP owns the Kenkiyak-Kumkol pipeline, which is operated by KTO. In October 2009, the Kenkiyak-Kumkol oil pipeline became operational. As at 31 December 2024, the length of the pipeline was 794 kilometres and it had a throughput capacity of 10 million tonnes of crude oil per year. In 2024, 7,919 thousand tonnes of crude oil were transported through the Kenkiyak-Kumkol pipeline.

#### *Atasu-Alashankou Pipeline*

KCP owns the Atasu-Alashankou pipeline, which is operated by KTO. In July 2006, the Atasu-Alashankou pipeline became operational. As at 31 December 2024, the length of the pipeline was 965 kilometres it had a throughput capacity of 20 million tonnes of crude oil per year.

#### *MunaiTas*

MunaiTas is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: A15E0G0, Kazakhstan, Almaty, 26/29 Timiryazev Street. On 3 December 2001, KTO and CNPC Exploration and Development Company Ltd established MunaiTas, in which KTO holds a 51 per cent. interest (as at 31 December 2024) and CNPC Exploration and Development Company Ltd holds a 49 per cent. interest. MunaiTas is the owner of the 455.1 kilometres long Kenkiyak–Atyrau oil trunk pipeline. KTO operates the Kenkiyak-Atyrau pipeline.

In 2018, MunaiTas started implementing the Kenkiyak–Atyrau pipeline reverse project to support supplies of West Kazakhstan’s oil totalling up to 6 million tonnes per annum to domestic refineries and to compensate production declines in the Aktobe and Kyzylorda Regions, as well as to support exports to China.

After commissioning of production facilities within the framework of the “reverse” project, since mid-2021, it has been possible to pump West Kazakhstan oil in the reverse direction through the Aman oil pump station in the amount of up to 6 million tonnes per year. The implementation of the “reverse” project made it possible to ensure the supply of West Kazakhstan oil to Pavlodar refinery and Shymkent Refinery and to neutralize the effect of reduced oil production in the Aktobe and Kyzylorda regions.

#### *Kenkiyak-Atyrau Pipeline*

MunaiTas owns the Kenkiyak-Atyrau pipeline. See “*MunaiTas*” above.

In March 2003, the Kenkiyak-Atyrau pipeline became operational. As at 31 December 2024, the Kenkiyak-Atyrau pipeline had a length of 455 kilometres of pipe, and has the tank farm facilities of 40 thousand tonnes and a throughput capacity of 6 million tonnes of crude oil per year.

Oil transportation via the Kenkiyak-Atyrau pipeline in 2024 was 5.7 million tonnes compared to 5.5 million tonnes in 2023, which represents an increase of 5 per cent. due to the need to ensure the supply of West Kazakhstan oil to Pavlodar and Shymkent refineries.

### *CPC pipeline System*

CPC-R and CPC-K are a joint venture that owns, operates and maintains the CPC pipeline. CPC-K is a joint-stock company organized under the laws of the Republic of Kazakhstan with its registered address at: Republic of Kazakhstan, 060097, Atyrau region, Atyrau, Abilkhair Khan Ave. 92B, Grand Asia Business Center. CPC-R is a joint-stock company organized under the laws of the Russian Federation with its registered address at: Krasnodar Krai, Novorossiysk, Primorsky Okrug, Marine Terminal.

In 2024, 63.0 million tonnes of oil and condensate were transported by CPC through the CPC pipeline.

Only CPC shareholders have rights to capacity in the CPC pipeline, which consist of preferential capacity rights to specified amounts of capacity and excess capacity rights to use pipeline capacity not being used by other shareholders. The preferential capacity rights and excess capacity rights in respect of the CPC pipeline are allocated by the agreement of the CPC shareholders and not necessarily by reference to the proportional ownership interests in the joint venture.

CPC charges shippers a transportation tariff based on the quantity of CPC blend delivered to the shipper. As of 30 June 2025, the tariff for transportation of and delivery to the CPC marine terminal on the Black Sea, inclusive of all charges for terminal facilities, was at U.S.\$36 per tonne. See *“Risk Factors—Risks relating to the Issuer’s business—The Issuer relies heavily on oil and gas transportation systems, including pipelines through Russian territory, to transport its products and its customers’ products to markets outside Kazakhstan and any disruption or unavailability of such transportation systems would adversely affect the Issuer’s ability to deliver its products”*.

Currently, oil transportation through the Russian Federation is carried out without restrictions.

### *Batumi Oil Terminal*

In 2007, KTO acquired a 50 per cent. ownership interest in Batumi Capital Partners Limited, and, in February 2008, KTO completed the acquisition of a 100 per cent. ownership interest in Batumi Industrial Holdings Limited. In December 2021, as a result of the reorganisation of Batumi Industrial Holdings Limited, Batumi Capital Partners Limited and Batumi Services Limited, KTO became the owner of 100 per cent. of shares of Batumi Terminals Limited (Cyprus), via which the assets in Georgia were managed (Batumi Oil Terminal LLC that held an exclusive right to manage Batumi Sea Port LLC).

The Issuer uses the Batumi port and oil terminal facilities to store and reload crude oil and petroleum products from Kazakhstan, including oil produced by the Issuer, as well as crude oil and petroleum products produced in Turkmenistan and Azerbaijan, for export. The Issuer delivers crude oil and petroleum products to the Batumi port and oil terminal facilities by rail.

Currently in Batumi port there are 5 terminals and 11 berths + CBM (point without berthing loading). The total capacity of the Batumi port is 18 million tonnes per year. The number of ships of the port fleet totals 13 units. The Batumi port has implemented and maintains a quality management and environmental protection system certified by the independent Bureau Veritas Certification for compliance with international standards.

In the year ended 31 December 2024, KTO transported 1,856 thousand tonnes of crude oil through the Batumi port and oil terminal facilities, as compared to 1,574 thousand tonnes of crude oil and 1,927 thousand tonnes of crude oil in 2023 and 2022, respectively. The 284 thousand tonnes, or 18 per cent., increase in the volume of crude oil transported by the Batumi oil terminal in 2024, as compared to 2023, was primarily due to the increase in the volume of transshipment of dark and light petroleum products.

The port of Batumi has implemented and maintains an integrated quality, environmental protection, health and safety management system certified by the independent certification body United Registrar of Systems Ltd (UK) for compliance with international standards ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

### *Aktau Seaport Terminal*

Aktau seaport was constructed in 1963 and is the main seaport in Kazakhstan with a capacity for the storage and reloading of crude oil and hydrocarbon products. Aktau Sea Port, situated on the eastern coast of the Caspian Sea in Kazakhstan, lies at the crossroads of major international transport corridors, enabling the movement of dry cargo, crude oil, and petroleum products along routes from east to west and north to south, including connections



to Iran, Turkey, Russia, Azerbaijan, and Turkmenistan. The Aktau Sea Port comprises 11 terminals with an open storage area of 79,700 m<sup>2</sup> and a covered transit warehouse of 2,000 m<sup>2</sup>. The port handles a wide range of cargoes, including oil, metals, grains, and cargo transported by railway ferries, with a current transshipment capacity of 11.8 million tonnes per year. Crude oil terminals are equipped with oil spillage prevention facilities.

The Issuer uses these terminals to store and reload crude oil and petroleum products from Kazakhstan, including oil produced by the Issuer, for export. The tank farms and pipelines to the berths for loading oil into tankers are owned by KTO as well as some other private companies. The Aktau seaport is not administered by the Issuer. As at 31 December 2024, 3,360 thousand tonnes of oil were transited through the Aktau seaport compared to 3,376 thousand tonnes in 2023.

### *Marine Transport*

Kazmortransflot National Marine Shipping Company LLP (“**KMTF**”) is the national sea carrier, as designated under a Resolution of the Kazakhstan Government. KMTF is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 130000, Kazakhstan, Aktau, 14 microdistrict, 70 building. KMTF owns the largest trade and service fleet in Kazakhstan, including tankers, tugboats and transportation vessels. KMTF’s fleet comprises two Aframax oil tankers with a deadweight of 115,000 tonnes each, three Caspimax oil tankers with a deadweight of 12,000 tonnes each, two oil tankers with a deadweight of 8,000 tonnes (owned by the CIMS joint venture, in which KMTF holds a 49% interest and ADP holds a 51% interest), two dry cargo vessels with a deadweight of 5,000 tonnes each, three tugboats with a bollard pull capacity of 40 tonnes each, and three container vessels with a capacity of 350 TEU each. In aggregate, the fleet operated by KMTF has a total deadweight exceeding 300,000 tonnes.

As at 30 June 2024 and 30 June 2025, KMTF transported 6.6 million tonnes and 5.6 million tonnes of crude oil by sea. As at 31 December 2023, KMTF transported 10.8 million tonnes of crude oil by sea. As at 31 December 2024, KMTF transported 13.1 million tonnes of crude oil by sea, of which 2 million tonnes of crude oil was transported across the Caspian Sea and 11 million tonnes of crude oil was transported across the Black Sea and the Mediterranean Sea. In 2024, there was a 1 million tonne increase in crude oil transported across the Black Sea and the Mediterranean Sea and a 1.3 million tonne increase in crude oil transported across the Caspian Sea.

### *Tariffs and Minimum Volumes*

KTO, which is classified as a natural monopoly in Kazakhstan, charges the Issuer and other shippers a tariff for domestic shipments. The amount of the tariff is set by the Natural Monopolies Committee based primarily on KTO’s costs for maintaining and operating the pipelines for a period of five years, after which KTO may apply to the Natural Monopolies Committee for an increase in the tariff.

A contract between KTO and its customers governs general access and terms of payment, and customers, including the subsidiaries, joint ventures and associates of the Issuer and third-party crude oil shippers. Monthly volumes transported through the pipeline system to refineries and for export are regulated by the Ministry of Energy.

KTO has approved the following tariffs for exports of crude oil: (i) KZT 11,300 per tonne per 1,000 kilometres (excluding VAT); and (ii) USD 2.1 per tonne per 1,000 kilometres (excluding VAT) for crude oil exported by Tuimazy Omak Novosibirsk 2.

The Natural Monopolies Committee approved the following maximum tariffs for domestic transportation of crude oil by KTO: KZT 4,461.76 per tonne per 1,000 kilometres (excluding VAT) from December 2024.

The Minister of Energy, in its capacity of the Competent Authority, and, in accordance with the agreement between Kazakhstan and China, approved the tariff for the transportation of Russian crude oil to China for 2024 through 2033 of U.S.\$15.00 per metric tonne (exclusive of VAT). This comprises U.S.\$7.24 from the border of the Russian Federation between Priirtyshsk and Atasu and U.S.\$7.76 from Atasu to Alashankou.

## Refining, Marketing and Trading

### Refining Facilities in Kazakhstan

As at 31 December 2024, the Issuer held a 99.53 per cent. ownership interest in the Atyrau Refinery; a 100.0 per cent. interest in the Pavlodar Refinery; a 50.0 per cent. interest in the Caspi Bitum Refinery through CITIC Kazakhstan LLP; and, through Valsera Holdings B.V., indirectly holds a 49.72 per cent. interest in PKOP, which, in turn, owns the Shymkent Refinery. As at 31 December 2024, the total actual refining capacity of these refineries was 18.5 million tonnes of crude oil per year.

The ongoing and recently-completed modernisation and upgrade projects are aimed at improving utilisation rates, profitability and the quality of the refined oil products at the refineries, as well as to enable the refineries to produce fuels that meet ecological standards K4 and K5 (equivalent to Euro-4 and Euro-5), and have the strategic aim of reducing the heavy products currently produced at the refineries and increasing the production of lighter products.

### Pavlodar Refinery

Pavlodar Refinery is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 140000, Kazakhstan, Pavlodar, 1 Khimkombinatovskaya Street. In August 2009, KMG RM acquired a 100.0 per cent. interest in Refinery Company RT, LLP ("**Refinery Company RT**"), which at that time owned all of the assets of the Pavlodar Refinery, together with a 25.1 per cent. interest in Pavlodar Oil Chemistry Refinery JSC, the entity owning the licences to operate the Pavlodar Refinery (with the remaining 74.9 per cent. interest in Pavlodar Oil Chemistry Refinery LLP then being held directly by KMG RM). Refinery Company RT leased the assets comprising the Pavlodar Refinery to Pavlodar Oil Chemistry Refinery LLP, which then operated the Pavlodar Refinery. In April 2013, Refinery Company RT and Pavlodar Oil Chemistry Refinery JSC were merged, with Pavlodar Oil Chemistry Refinery LLP emerging as the surviving entity. Following the merger of KMG RM with the Issuer, as at 31 December 2024, the Issuer owns 100 per cent. of the Pavlodar Oil Chemistry Refinery LLP.

The Pavlodar Refinery, which was built in 1978, is located in the city of Pavlodar in north-east Kazakhstan, Pavlodar Oblast, 100 kilometres from the border with Russia and is linked to the Omsk-Pavlodar-Shymkent Pipeline. The Pavlodar Refinery has a catalyst cracker and sulphur granulation unit. All oil supplied to the refinery originates in the western Siberian oil fields and is transported into the refinery through the Transneft and KTO pipeline systems and stored in the associated tank farms located immediately adjacent to the refinery.

The Pavlodar Refinery is the largest and most technically advanced of the three principal oil refineries in Kazakhstan and has a designed refining capacity of 18,000 tonnes of crude oil per day and project capacity of 6.0 million tonnes of crude oil per year. It refined 5,500 thousand tonnes of oil in 2024 (compared to 5,434 thousand tonnes of oil in 2023), representing 31.3 per cent. of the total oil refined in Kazakhstan in 2024. In addition, the Pavlodar Refinery produced 29.2 per cent. of the gasoline, 31 per cent. of the diesel and 5.8 per cent. of the fuel oil produced in Kazakhstan in 2024. For the six months ended 30 June 2025 and 2024, the Pavlodar Refinery refined 2,876 thousand tonnes and 2,722 thousand tonnes of oil, respectively.

The Pavlodar Refinery tolls oil for a processing fee approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2024, the weighted average tariffs to refine 1 tonne of tolling feedstock at Pavlodar Refinery was KZT 26,500.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Pavlodar Refinery for the periods indicated:

|                            | For the year ended 31 December |              |              |
|----------------------------|--------------------------------|--------------|--------------|
|                            | 2024                           | 2023         | 2022         |
|                            | (thousand tonnes)              |              |              |
| Light <sup>(1)</sup> ..... | 4,021                          | 3,895        | 3,879        |
| Dark <sup>(2)</sup> .....  | 793                            | 809          | 927          |
| Other products .....       | 271                            | 330          | 331          |
| <b>Total</b> .....         | <b>5,084</b>                   | <b>5,034</b> | <b>5,137</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LNG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen

## Atyrau Refinery

As at 31 December 2024, the Issuer held 99.53 per cent. of the share capital of the Atyrau Refinery.

Atyrau Refinery is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 060001, Kazakhstan, Atyrau, Kabdolov str., 1. The Atyrau Refinery is located in the centre of the major hydrocarbon producing region of western Kazakhstan. Built in 1945, the Atyrau Refinery is the oldest refinery of the three operating refineries in Kazakhstan. Following a modernisation programme, the Atyrau Refinery has a designed and actual refining capacity of 5.5 million tonnes of crude oil per year.

The Atyrau Refinery refined 2,888 thousand tonnes of crude oil for the six months ended 30 June 2025 (compared to 2,911 thousand tonnes of crude oil for the six months ended 30 June 2024). The Atyrau Refinery refined 5,547 thousand tonnes of crude oil in 2024 (compared to 5,475 thousand tonnes in 2023), representing 31.6 per cent. of the total oil refined in Kazakhstan in the year ended 31 December 2024. In addition, the Atyrau Refinery produced 29.7 per cent. of the gasoline, 29.9 per cent. of the diesel and 13.6 per cent. of the fuel oil produced in Kazakhstan in 2024. In 2024, the Atyrau Refinery produced a total of 4.9 million tonnes of refined oil products. The Atyrau Refinery charges processing fees, which are approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2024, the weighted average tariffs to refine 1 tonne of tolling feedstock at Atyrau Refinery was KZT 54,450.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Atyrau Refinery for the periods indicated:

|                                     | For the year ended 31 December |              |              |
|-------------------------------------|--------------------------------|--------------|--------------|
|                                     | 2024                           | 2023         | 2022         |
|                                     | (thousand tonnes)              |              |              |
| Light <sup>(1)</sup> .....          | 3,705                          | 3,602        | 2,988        |
| Dark <sup>(2)</sup> .....           | 1,013                          | 1,073        | 1,447        |
| Petrochemicals <sup>(3)</sup> ..... | 136                            | 49           | 85           |
| Other products .....                | 171                            | 134          | 127          |
| <b>Total</b> .....                  | <b>5,025</b>                   | <b>4,858</b> | <b>4,647</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LNG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen

<sup>(3)</sup> Benzene and paraxylene

## Shymkent Refinery

Shymkent Refinery is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: 160011, Kazakhstan, Shymkent, Enbekshi District, block no. 264, building 1. The Shymkent Refinery is located in southern Kazakhstan and was commissioned in 1985. Most product and crude deliveries to the Shymkent Refinery are made by rail in railcars provided by the state-owned railway or third parties. Crude oil production from Kumkol producing fields and from western Siberia are the primary source of crude oil for the Shymkent Refinery.

In July 2007, KMG RM acquired an indirect 49.72 per cent. interest in PKOP (which is held by the Issuer), which in turn owns the Shymkent Refinery through Valsera Holdings B.V. The remaining interest in PKOP is held by CNPC. The Shymkent Refinery had a designed refining capacity of 6.0 million tonnes of crude oil per year.

The Shymkent Refinery refined a total of 5.7 million tonnes of crude oil in 2024 (excluding the Issuer's share), representing 16.4 per cent. of the total oil refined in Kazakhstan in 2024. KMG's share for the six months ended 30 June 2025, 30 June 2024 and for the years ended 31 December 2024 and 31 December 2023 were 1,533 thousand tonnes, 1,256 thousand tonnes, 2,872 thousand tonnes and 2,879 thousand tonnes, respectively. Crude oil refined at the Shymkent Refinery is supplied by the Issuer's joint venture partners. Accordingly, while the Issuer is entitled to profits from the operation of the Shymkent Refinery, none of the crude oil refined at the Shymkent Refinery is attributable to the Issuer.

In addition, the Shymkent Refinery produced 36.4 per cent. of the gasoline, 31 per cent. of the diesel and 13.4 per cent. of the fuel oil produced in Kazakhstan in the year ended 31 December 2024.

The Shymkent Refinery tolls oil for a processing fee approved by the Ministry of Energy of the Republic of Kazakhstan. As at 31 December 2024, the weighted average tariffs to refine 1 tonne of tolling feedstock at Shymkent Refinery was KZT 35,336.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Shymkent Refinery for the periods indicated:

|                            | For the year ended 31 December |                   |              |
|----------------------------|--------------------------------|-------------------|--------------|
|                            | 2024                           | 2023              | 2022         |
|                            |                                | (thousand tonnes) |              |
| Light <sup>(1)</sup> ..... | 2,348                          | 2,222             | 2,988        |
| Dark <sup>(2)</sup> .....  | 504                            | 410               | 1,447        |
| Other products .....       | 5                              | 6                 | 127          |
| <b>Total</b> .....         | <b>2,857</b>                   | <b>2,638</b>      | <b>2,663</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LNG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen

### Caspi Bitum Refinery

The Caspi Bitum refinery is located in Mangistau region and was commissioned in 2013. Caspi Bitum is a joint venture equally owned by the Issuer (50%) and CITIC Kazakhstan LLP (50%).

Hydrocarbon refining for the six months ended 30 June 2025 and 30 June 2024 and for the years ended 31 December 2024 and 31 December 2023 was 108 thousand tonnes, 165 thousand tonnes, 327 thousand tonnes and 427 thousand tonnes, respectively.

This refinery is also the largest producer of road bitumen in Kazakhstan. In 2024, the total volume of oil refining reached 654,602 tonnes and the volume of production of road bitumen amounted to 242,877 tonnes, which accounts for 37.1 percent of the total volume of bitumen production at two large bitumen producing plants belonging to KMG (Pavlodar refinery and Caspi Bitum), on a 100 per cent. basis.

### Kazakh Gas Processing Plant

The Kazakh Gas processing plant is located in Mangistau region and is operated by KazGPZ. The sole participant of KazGPZ is the Issuer. The Kazakh Gas processing plant produces the following products: natural combustible gas, ethane fraction, propane fraction, normal butane fraction, isobutene fraction, hydrocarbon gases, pentane-hexane fraction, domestic stove fuel, technical oxygen.

In 2024, the processing plant processed 837 million m<sup>3</sup> of raw gas, 3.9 thousand tonnes of gas condensate and 40.7 thousand tonnes of natural gas liquids. In 2024, 184.2 thousand tonnes of LPG were sold, against 198.9 thousand tonnes in 2023.

### Construction of a new gas processing plant in Zhanaozen

The project's primary objectives are to replace the existing GPP, ensure the stable operation of oil-producing assets in the Mangystau region, and facilitate the utilisation of associated petroleum gas and natural gas to supply industrial and social products.

The project has an estimated cost of 216.9 billion KZT (excluding VAT). Its financing structure comprises 78 per cent. loan funds from Halyk Bank JSC, totalling 169,350 million KZT, which is 100 per cent. loan financing secured under guarantees from Samruk-Kazyna and the Issuer. The remaining 22 per cent. is covered by the Founder's own funds, allocated for bank remuneration, project support, and supervision costs. The project timeline is divided into a "Definition Phase" from 2018 to 2024 and an "Implementation Phase" from 2024 to 2027. Upon completion, the plant is projected to have a capacity of 900 million cubic metres per year.

As of July 2025, the project is actively in its implementation phase, demonstrating significant progress across design, construction, and equipment procurement. In the design phase, a positive conclusion from RSE “State Expertise” (GE) for the first launch complex (LC-1) was received on 17 February 2025. Subsequently, on 14 July 2025, a positive conclusion from State Expertise was obtained for the Working Project covering the second launch complex, including preparatory work and the construction of auxiliary buildings and structures. Design work for Stage “P”, encompassing main technology, general plant facilities, and administrative buildings, is ongoing, with 56 per cent. overall progress in documentation development.

Regarding construction and installation works, activities commenced on 3 March 2025. Current efforts involve general construction for the macro-layout of the 43-hectare territory, including soil cutting, embankment compaction, delivery of quarry soil to achieve the design level, and excavation for building foundations. For equipment supply, an order has been placed for the manufacture of technological equipment, with the first delivery anticipated in October 2025.

### **Construction of a seawater desalination plant in Kenderli with a capacity of 50,000 cubic metres per day**

The purpose of the project is to supply drinking water to the city of Zhanaozen and reduce the load on the Astrakhan–Mangyshlak water pipeline, with a design capacity of 50,000 m<sup>3</sup> per day. Currently, engineering, procurement and construction contracts have been concluded, with construction and installation works completed.

The plant is expected to become operational in 2025.

### *Refined Oil Products*

The following tables set forth the product mixture and corresponding domestic market share of the Issuer for the periods indicated:

| Product        | For the year ended 31 December 2024 |       |                 |
|----------------|-------------------------------------|-------|-----------------|
|                | Production<br>in<br>Kazakhstan      | KMG   | Market<br>Share |
|                | (thousand tonnes)                   |       | %               |
| Gasoline.....  | 5,628                               | 4,257 | 79              |
| Jet fuel ..... | 792                                 | 584   | 78              |
| Diesel.....    | 5,382                               | 4,401 | 82              |
| Fuel oil ..... | 1,993                               | 1,573 | 79              |
| Bitumen .....  | 603                                 | 482   | 80              |

| Product        | For the year ended 31 December 2023 |       |                 |
|----------------|-------------------------------------|-------|-----------------|
|                | Production<br>in<br>Kazakhstan      | KMG   | Market<br>Share |
|                | (thousand tonnes)                   |       | %               |
| Gasoline.....  | 5,327                               | 4,257 | 80              |
| Jet fuel ..... | 638                                 | 485   | 76              |
| Diesel.....    | 5,159                               | 4,312 | 84              |
| Fuel oil ..... | 2,327                               | 1,824 | 78              |
| Bitumen .....  | 648                                 | 531   | 82              |

| Product        | For the year ended 31 December 2022 |       |                                |
|----------------|-------------------------------------|-------|--------------------------------|
|                | Production<br>in<br>Kazakhstan      | KMG   | Market<br>Share <sup>(1)</sup> |
|                | (thousand tonnes)                   |       | %                              |
| Gasoline.....  | 4,790                               | 3,905 | 79                             |
| Jet fuel ..... | 665                                 | 495   | 74                             |
| Diesel.....    | 5,232                               | 4,241 | 81                             |
| Fuel oil ..... | 2,819                               | 2,295 | 81                             |
| Bitumen .....  | 775                                 | 552   | 71                             |

### **KMG International**

KMG International is a company organized under the laws of the Netherlands with its registered address at: World Trade Center Building, 807 Strawinskylaan, Tower A, 8<sup>th</sup> floor, 1077XX, Amsterdam, the Netherlands. In March 2014, the Board of Directors of The Rompetrol Group N.V. changed its corporate name to KMG International in

accordance with the Issuer's strategy to promote a single brand across the Group. KMG International owns and operates, among other entities, a network of retail stations, the Vega Refinery, and the Petromidia Refinery.

In December 2007, the Issuer acquired 75 per cent. of the shares in the Rompetrol Group. The remaining 25 per cent. of shares were acquired by the Issuer in 2009.

In December 2017, KMG RM was merged with the Issuer and, accordingly, as at 31 December 2017, the Issuer was the 100 per cent. direct owner of KMG International.

In February 2013, KMG International signed a memorandum of understanding with the Romanian State to settle Rompetrol Rafinare's historical debts, which was extended until 2024. The main provision of the memorandum was the establishment of a Kazakh-Romanian investment fund, through which KMG International will make an equity contribution of U.S.\$150 million. The total investment in the fund will be provided over a seven-year period with total investments by KMG International in energy projects of up to U.S.\$1 billion. The fund may also seek debt financing in an aggregate amount up to four times its equity. Following its establishment in 2018, the fund is 80 per cent. owned by KMG International and 20 per cent. owned by the Romanian Government. In the event of a proposed disposal, KMG International has a pre-emption right over the Romanian Government's interest in this investment fund.

In accordance with the Government Resolution No. 908 dated 29 December 2020 "On certain matters of privatization for years 2021-2025", KMG International was included in the list of legal entities, proposed for transfer to the competitive environment as a priority. On 30 May 2025, the State Commission for Economic Modernization decided to postpone the transfer of KMG International to a competitive environment to 2026–2027.

The total hydrocarbon refining of KMG International for the six months ended 30 June 2025 and 30 June 2024 and the years ended 31 December 2024 and 2023 were 2,969 thousand tonnes, 1,848 thousand tonnes, 4,912 thousand tonnes and 5,387 thousand tonnes respectively.

### *Refining*

#### **Petromidia Refinery**

The Petromidia Refinery is owned by Rompetrol Rafinare SA, in which KMGI has a 54.62 per cent. interest (of the remainder is owned by the Romanian Government and public shareholders). Rompetrol Rafinare SA is a company organized under the laws of Romania with its registered address at: Navodari Blvd, no. 215, Administrative Building, Navodari, Romania. The Petromidia Refinery was constructed between 1974 and 1979. The Petromidia Refinery had a designed refining capacity of 3.8 million tonnes of crude oil per year, which was increased to a crude processing capacity of 5.1 million tonnes after upgrades completed in 2012. Subsequently, the production throughput has been increased through several optimisations to a current 5.6 million tonnes. As of 30 June 2025, the design capacity of the facility includes refining 5 million tonnes of oil and 1 million tonnes of other hydrocarbons per year, totalling 6 million tonnes. In 2024, KMG International produced 4.5 million tonnes of refined oil products at the Petromidia Refinery, achieving 77 per cent. utilisation of designed refining capacity.

The Petromidia Refinery processes a variety of crude oils with high sulphur content and API. Crude oil processed at the Petromidia Refinery is received at Midia port, which is owned by KMG International and can accommodate ships of up to 24,000 tonnes of deadweight, or through the larger Constanta port, which is connected to the Petromidia Refinery by a 40 kilometres pipeline. The Petromidia Refinery has its own marshalling yard, with 40 loading and unloading points and vehicle loading ramps. The Petromidia Refinery produces different types of vehicle fuels (gasoline, diesel and LPG) and Jet A-1 Fuel, propylene and other products. Petromidia Refinery products meet applicable European quality standards and environmental protection regulations for such products.

In Romania, Petromidia oil products are sold through the KMG International downstream distribution network and third-party retail and wholesale distribution networks. The Petromidia Refinery exports oil products to Ukraine, Moldova, Bulgaria, Turkey, Georgia, Hungary, Croatia, Bosnia, Serbia and Western Europe.

The market refining margin at the Petromidia Refinery has decreased to U.S.\$39.7 per tonne in 2024 from U.S.\$64.8 per tonne in 2023 and U.S.\$129.5 per tonne in 2022, primarily due to the emergence of new refineries in Asia and Africa, which led to the excessive supply of oil products, increased competition and shrinking profits for European refineries.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Petromidia Refinery for the periods indicated:

|                            | For the year ended 31 December |                   |              |
|----------------------------|--------------------------------|-------------------|--------------|
|                            | 2024                           | 2023              | 2022         |
|                            |                                | (thousand tonnes) |              |
| Light <sup>(1)</sup> ..... | 3,974                          | 4,269             | 4,075        |
| Dark <sup>(2)</sup> .....  | 548                            | 411               | 889          |
| Other products .....       | -                              | 168               | 178          |
| <b>Total</b> .....         | <b>4,521</b>                   | <b>4,848</b>      | <b>5,142</b> |

<sup>(1)</sup> Includes petrol, diesel fuel, jet fuel and LNG.

<sup>(2)</sup> Includes fuel oil, vacuum gas oil and bitumen

## Vega Refinery

The Vega Refinery, which is owned by KMG International, is located in Ploiesti, a small town near Bucharest, Romania. It was constructed in 1905 and modernised between 1970 and 1980. The Vega Refinery has a designed capacity of 0.5 million tonnes per year. For 2024, 2023 and 2022, the Vega Refinery produced a total of 288,000 tonnes of refined oil products, 373,000 million tonnes of refined oil products and 370,000 million tonnes of refined oil products, respectively.

The Vega Refinery uses by-products of the Petromidia Refinery as raw material and specialises in processing alternative raw materials (naphtha, refined RC, C5 C6 fraction, other oil fractions and fuel oil) and in producing polymerisation solvent-normal hexane, ecological petroleum solvents, other oil products, such as gasoline, naphtha, white spirit and petroleum products (heating oil), light liquid fuel and bitumen.

The following table sets forth the historical product mixture and volumes of refined oil products produced at the Vega Refinery for the periods indicated:

|                      | For the year ended 31 December |                   |            |
|----------------------|--------------------------------|-------------------|------------|
|                      | 2024                           | 2023              | 2022       |
|                      |                                | (thousand tonnes) |            |
| Naphtha .....        | 84                             | 105               | 103        |
| Bitumen .....        | 75                             | 104               | 100        |
| Hexane.....          | 65                             | 82                | 79         |
| Fuel oil .....       | 13                             | 22                | 23         |
| Solvents.....        | 31                             | 35                | 42         |
| Other products ..... | 22                             | 24                | 23         |
| <b>Total</b> .....   | <b>290</b>                     | <b>372</b>        | <b>370</b> |

## Retail Network

KMG International sells a full range of petroleum products, including gasoline, diesel fuel, LPG and heating oil both domestically in Romania and in Eastern Europe. As at 31 December 2024, KMG International, owned and operated 1,426 distribution points, including 1,182 points of sale in Romania, 93 in Georgia, 54 in Bulgaria and 97 in Moldova, and was the largest petroleum product supplier in Moldova, with an estimated 17 per cent. market share. As at 31 December 2024, KMG International had market shares of approximately 7 per cent. and 2.1 per cent. in Georgia and Bulgaria respectively.

The trading and marketing of refined oil products in the Romanian market is performed by various KMG International controlled entities, Rompetrol Downstream, and Rompetrol Gas SRL (wholesale and retail sale of liquefied gas) in Romania, and by KMG Trading in Eastern Europe. The fuels obtained from the Petromidia Refinery are mainly traded in Romania by Rompetrol Downstream, which sold 1,709 of petroleum products in 2024, a decrease of 13 per cent., as compared to 2023. As at 31 December 2024, KMG had a distribution network of 1,426 stations in Romania, Bulgaria, Georgia and Moldova.

The following tables set forth KMG International's product mixture and percentages sold domestically in Romania and internationally for the periods indicated:

| For the year ended 31 December 2024   |                          |                 |              |
|---------------------------------------|--------------------------|-----------------|--------------|
| Volume                                | % volume sold            |                 |              |
|                                       | Domestically<br>(tonnes) | Internationally |              |
| Gasoline.....                         | 690                      | 356             | 334          |
| Diesel fuel .....                     | 2,075                    | 510             | 1,565        |
| Jet fuel .....                        | 333                      | 10              | 323          |
| LPG .....                             | 228                      | 216             | 12           |
| Other products .....                  | 299                      | 0               | 299          |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>3,625</b>             | <b>1,052</b>    | <b>2,788</b> |

| For the year ended 31 December 2023   |                          |                 |              |
|---------------------------------------|--------------------------|-----------------|--------------|
| Volume                                | % volume sold            |                 |              |
|                                       | Domestically<br>(tonnes) | Internationally |              |
| Gasoline.....                         | 708                      | 298             | 410          |
| Diesel fuel .....                     | 2,221                    | 491             | 1,730        |
| Jet fuel .....                        | 251                      | 241             | 10           |
| LPG .....                             | 295                      | 0               | 295          |
| Other products .....                  | 365                      | 22              | 343          |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>3,841</b>             | <b>1,052</b>    | <b>2,788</b> |

| For the year ended 31 December 2022   |                          |                 |              |
|---------------------------------------|--------------------------|-----------------|--------------|
| Volume                                | % volume sold            |                 |              |
|                                       | Domestically<br>(tonnes) | Internationally |              |
| Gasoline.....                         | 683                      | 280             | 403          |
| Diesel fuel .....                     | 2,399                    | 541             | 1,857        |
| Jet fuel .....                        | 315                      | 5               | 310          |
| LPG .....                             | 296                      | 278             | 18           |
| Other products .....                  | 399                      | 51              | 348          |
| <b>Total sold<sup>(1)</sup></b> ..... | <b>4,091</b>             | <b>1,155</b>    | <b>2,936</b> |

<sup>(1)</sup> The figures in these tables include the total sales of KMG International's subsidiaries, as well as the volumes sold by the Petromidia Refinery directly to third parties.

## Petrochemical

### Integrated petrochemical complex in Western Kazakhstan

In 2007, Kazakhstan initiated the creation of a petrochemical cluster in the Atyrau Oblast and construction of an integrated petrochemical complex. The Issuer is involved in the implementation of various projects as part of this petrochemical complex, which comprises several plants, including a polypropylene plant (first phase) operated by Kazakhstan Petrochemical Industries Inc. LLP ("KPI") and a polyethylene plant project (second phase) managed by KMG PetroChem LLP ("KMG PetroChem") and Silleno LLP ("Silleno").

KPI is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: Atyrau region, 060000, Atyrau city, 26V L.Vladimirskiy Street.

KMG PetroChem is a limited liability partnership organized under the laws of the Republic of Kazakhstan with its registered address at: Republic of Kazakhstan, Atyrau region, 060000, Atyrau city along the Atyrau-Dossor highway, Karabatan District, the territory of the special economic zone "National Industrial Petrochemical Technology Park". The Issuer is the sole shareholder in KMG PetroChem.



The Government has indirect stake in KPI through Samruk-Kazyna Ondeu LLP (“SKO”) (formerly known as United Chemical Corporation LLP) (a 100 per cent. subsidiary of Samruk-Kazyna) which, in turn holds 9.5 per cent. in KPI.

#### *Polymer Production*

On 19 December 2023, the Issuer acquired a 100% equity interest in Polymer Production LLP. Subsequently, in 2025, the Issuer disposed of a 60% equity interest of Polymer Production LLP in favour of SIBUR.

#### *KPI*

KPI operates a polypropylene plant with a project capacity of 500,000 tonnes per year located in Atyrau Oblast in Western Kazakhstan.

On 28 April 2025, the Acceptance Certificate for commissioning was signed, confirming the completion of construction of the polypropylene project in accordance with the approved design and state regulations, and the full readiness of the facility for operation. The Certificate was registered on 30 April 2025 with the State Corporation “Government for Citizens”. KPI produced 219,372 tonnes of polypropylene in the first six months of this 2025.

#### *Silleno*

Silleno manages the construction of a polyethylene plant with a project capacity of 1,250,000 tonnes per year in Atyrau Oblast in Western Kazakhstan. The project is currently at the implementation stage and is expected to be completed in 2029. The current shareholders of Silleno are the Issuer, holding 29.9 per cent. directly and an additional 10.1% through its subsidiary KMG PetroChem (together totalling 40 per cent.), SIBUR (30 per cent.), and SINOPEC (30 per cent.).

#### *Employees*

As at 31 December 2024, the Issuer employed 52,600 people across the Group, including employees temporarily absent due to long-term education, maternity leave or parental leave.

The Issuer engages with trade unions within the framework of social partnership, in accordance with labor legislation at both industry and regional levels. At the industry level, the principal parameters of cooperation — including social guarantees, labor organization and remuneration, employment, gender and youth policies, occupational health and safety, and mechanisms for the prevention and resolution of labor disputes — are set forth in the Sectoral Agreement for the oil, gas, refining and petrochemical industries of Kazakhstan. The Issuer and its subsidiaries actively contributed to the development of this agreement and are members of the Industry Commission on Social Partnership, which addresses matters of social stability, sectoral qualification standards and human capital development. The Issuer adheres to the provisions of the Sectoral Agreement for 2023–2025, which is aimed at strengthening employee social protection, enhancing the role of trade unions and ensuring safe and healthy working conditions.

As at 31 December 2024, the Issuer has 34 trade union committees, including local trade unions, which represent the interests of 36,606 employees.

#### *Litigation*

Other than as set out below, there are no governmental, legal or arbitration proceedings, including any such proceedings pending or threatened of which the Issuer is aware, during the last 12 months preceding the date of this Offering Memorandum, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Issuer and its consolidated subsidiaries, joint ventures and associates, taken as a whole.

#### **Comprehensive tax audit at oil refineries of the Group**

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and PKOP were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and

reduction in tax carry-forward losses for 119,871 million tenge. Atyrau refinery, Pavlodar refinery and PKOP did not agree with the assessment and appealed to the Ministry of Finance of Republic of Kazakhstan.

PKOP partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3,694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of PKOP made on November 15, 2021 by the Civil Chamber of the Shymkent City Court. During 2024, PKOP took measures to appeal the decision of the Judicial Collegium for Civil Cases of the Supreme Court to the Prosecutor General's Office of the Republic of Kazakhstan. However, due to the lack of procedural opportunity, consideration of the petitions was refused. Accordingly, PKOP recognized a provision and paid tax and fine in the amount of 3,694 million tenge. On 28 August 2025, the Ministry of Finance reviewed appeals in favor of PKOP on the remaining appeals. Appeals from Atyrau Refinery and Pavlodar Refinery remain under review by the Ministry of Finance.

### **The civil litigation at KMG I**

Faber Invest & Trade Inc. ("Faber"), the non-controlling shareholder of KMG I subsidiaries, resumed several previous civil filings in 2020, one of which challenged the increase in the Rompetrol Rafinare Constanta, the KMG I subsidiary, share capital in 2003-2005. The hearings have been held periodically. As of 31 December 2024, all Faber claims were dismissed and the case was closed.

### **Civil legal dispute between the National Mineral Resources Agency ("NAMR") and Oilfield Exploration Business Solutions S.A ("OEBS"), subsidiary of KMG I, at the Focsani field**

On 17 December 2019 OEBS has been notified by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On 29 July 2022 the Court decided to oblige OEBS to pay U.S.\$10.1 million from a total NAMR claim of U.S.\$20 million. In 2022, the Group recognized a provision in the amount of U.S.\$10.1 million (equivalent to KZT4,673 million). On 23 May 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay U.S.\$10.1 million. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS was authorized to make the payment as follows: 30 per cent. of the liabilities will be paid by NAMR, while 70 per cent. will be paid in accordance with the debt Restructuring Plan with the Romanian tax authorities. As of 31 December 2024, OEBS paid 30 per cent. directly to NAMR the remaining 70 per cent. was included in the restructuring plan and will be paid until 2026. The Group also reclassified the previously recognized provision into other financial liabilities.

### **Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMG I operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on 26 May 2022. During 2023, RPM filed in an appeal and the first hearing was scheduled for 4 October 2023, however, the court rejected the appeal. The second appeal was filed in on 24 January 2024. The last hearing was scheduled for 16 October 2024. However, on 3 July 2024, the CCM announced that RPM was found guilty. On 1 August 2024, RPM filed an appeal against the fine, with the next hearing scheduled for 8 October 2025, and requested a deferment of payment pending the resolution of the underlying case. On 26 August 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The CCM filed in an appeal and on 9 December 2024 the Court rejected the appeal of CCM regarding the suspension of payment until a final court decision on this dispute.

### **The case of arbitration between KazRosGas LLP, a joint venture of the company, ("KRG") and Karachaganak Petroleum Operating B.V. ("KPO")**

On 23 August 2022, the Secretariat of the International Chamber of Commerce in Paris submitted to KRG a Notice of Initiation of Arbitration Proceedings by KPO, which is the operator under the Final Production Sharing Agreement for the contract area of the Karachaganak oil and gas condensate field dated 27 January 1997, with amendments and additions ("FPSA"). KPO intends to increase the gas sale price under the existing Karachaganak

Gas Purchase and Sale Agreement. If the gas price is agreed later than 1 October 2022, KRG and KPO shall recalculate the gas price for the period from 1 October 2022 to the date of the price agreement. In October 2022, a working group was established to develop a negotiating position of the Kazakh side on the peaceful settlement of the dispute over the arbitration process between the KRG and KPO, chaired by the First Vice Minister of Energy of RK. The working group also includes representatives of the Ministry of Energy of RK, JSC “NC “QazaqGaz”, KMG and KRG. In August 2023, the Tribunal approved the Procedural Timetable for the Arbitration (the “**Arbitration Timetable**”), according to which the final hearing is scheduled for the week of 18 November 2024, and the deadline for the Tribunal to make decision is until the end of March 2025. In January 2024, a meeting was held between the Ministry of Energy of the Republic of Kazakhstan, KPO, KMG and the KRG to peacefully resolve the dispute. From 18 to 22 November 2024, an evidentiary hearing of the Tribunal was held, at which the parties and experts presented their final positions on the merits of the dispute to the Tribunal, and barristers, together with the Tribunal, cross-examined the experts. On 1 January 2025, legal representatives of both parties notified the Tribunal and the Secretariat of the conclusion of an agreement on the settlement of the dispute and the termination of the arbitration proceedings. As a result, the price formula remains the same.

### **The case of the Memorandum of Understanding between KMGI and the Government of Romania**

On 15 February 2013, KMGI and the Government of Romania signed the Memorandum of Understanding (the “**Memorandum**”) to settle a dispute arising from the conversion of bonds issued by Rompetrol Rafinare, a subsidiary of KMGI, into shares which was finally approved by the Government of Romania through a Government decision in January 2014.

Among other provisions, the Memorandum stated that the precautionary seizure of Rompetrol Rafinare assets (including shares held by Rompetrol Rafinare in its subsidiaries) imposed in September 2010 were to be lifted after the state withdrew its claim against the conversion of the bonds into Rompetrol Rafinare shares, which happened in March 2014, and in the event the Government of Romania organized an auction for the sale of 26.6959 per cent. (first stake) of Rompetrol Rafinare shares, KMGI would have to offer a price not less than 200 million US dollars.

On 22 January 2025, KMGI formally notified the Romanian Ministry of Energy on termination of its obligations under the memorandum due to an ongoing legal dispute concerning the seizure of Rompetrol Rafinare’s assets.

On 31 January 2025, the Supreme Court confirmed the first court resolution by which Romanian Tax Authorities (ANAF) should issue a decision to cancel the enforcement order and release the precautionary seizure. The lifting of the precautionary seizure is pending. Most of the assets are already released.

On 30 April 2025 the term for implementation of the Memorandum expired.

### **The case of an administrative offense of Atyrau Refinery LLP (“Atyrau Refinery”) initiated by the Department of Agency for Protection and Development of Competition of RK (“Antimonopoly Agency”) of the Atyrau region**

In January 2025 the Antimonopoly Agency conducted an inspection for compliance with the legislation of the RK in the field of competition protection in relation to Atyrau Refinery on the grounds of establishing and maintaining monopolistically high prices for oil refining services for 2021-2023. In June 2025 the Antimonopoly Agency issued the Conclusion which stated that Atyrau Refinery set monopolistically high tariffs for oil refining services, and sought to confiscate revenue for 2021-2023 of 29,137 million Tenge and impose a fine of 37,390 million Tenge. Atyrau Refinery does not agree with the results of the Conclusion and on 16 July 2025 filed a Complaint against the Conclusion to the Antimonopoly Agency. Atyrau Refinery assessed the risk of additional charges as remote, and as of 30 June 2025, Atyrau Refinery did not create a provision on this case.

### **Environmental audits**

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (further Operator). Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tonnes. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order.

On June 14, 2023, the Specialized Inter-District Administrative Court of the city of Astana ruled in favour of the Operator regarding the placement of sulfur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court the city of Astana annulled this decision. On June 26, 2025, the Supreme Court of the Republic of Kazakhstan issued a ruling to overturn the decision of February 27, 2024 and referred the case for a new trial to the appellate court with a different panel of judges. On July 10, 2025, the case was accepted for consideration by the Judicial Panel for Administrative Cases of the Court of the city of Astana. On August 1, 2025, the appellate court announced a decision in favour of the Operator and annulled the inspection results in full, including the excessive placement of sulfur.

## **Insurance**

The Issuer implemented in 2002, and modified in 2005, with foundation of the Captive reinsurance company, a unified corporate insurance programme (the “**Insurance Programme**”) for substantially all of its subsidiaries and affiliates. The terms of the Insurance Programme are similar to those that are generally accepted in the oil and gas industry and are tailored to address the specific activities of the Issuer. The Insurance Programme is included in the corporate insurance programme of Samruk-Kazyna and regulated by the Samruk-Kazyna rules corporate policy applying to subsidiaries within the Samruk-Kazyna group.

The Insurance Programme covers property damage and catastrophic insurance, business interruption, control of well and third-party liability coverage, marine and cargo insurance, construction-all-risk cover and directors’ and officers’ liability insurance. As it is not a common insurance product in Kazakhstan, insurance for production interruption risks is maintained in respect of only certain of the Issuer’s subsidiaries. The Insurance Programme does not mandate and the Issuer does not commonly carry (with some exclusions) insurance against environmental damage caused by its own operations, sabotage or terrorist attacks and cyber insurance.

The Issuer’s captive insurance company, Kazakhstan Energy Reinsurance Company Ltd, is responsible for the implementation of the Insurance Programme, as well as addressing other insurance needs of the Issuer. The reinsurance of the Insurance Program is conducted to most extent at rated international reinsurance markets (“A-” S&P and above or equivalent) with involvement of rated local Kazakh insurance markets.

As at 30 June 2025, KTO, KMGI, the Atyrau Refinery, the Pavlodar Refinery, the Shymkent Refinery, Embamunaigas JSC, Mangistaumunaigas JSC, and other companies participated in the Insurance Programme.

In addition to the Insurance Programme, the Issuer has purchased additional insurance coverage on a voluntary basis, including: (i) property insurance relating to its head office and (ii) director and officer liability insurance.

The Issuer maintains compulsory insurance for its employees against accidents arising out of their employment obligations. The Issuer also maintains the following compulsory insurances: (i) environmental insurance, (ii) compulsory vehicle insurance and (iii) compulsory liability insurance for owners of hazardous facilities.

See “*Risk Factors—Risk Factors Relating to the Issuer’s Business—The Issuer’s insurance coverage may not cover all potential losses arising from operational hazards and unforeseen interruptions*”.

## **Information Technology**

The Information Technology (“**IT**”) management of the Issuer is undertaken by the IT department, which performs the following functions: development and implementation of the IT programme, development of technical requirements for IT projects, control of implementation and use of information systems and maintenance of uninterrupted performance of the information and telecommunication infrastructure of the Issuer. As part of the Issuer’s corporate reorganisation, the Issuer is in the process of integrating the IT systems and operational data of all of the Issuer’s subsidiaries into one centralised IT framework.

The Issuer does not currently have a separate disaster recovery centre or an off-site server located outside of the Issuer’s main administrative premises. As part of the Issuer’s ongoing transformation projects, the Issuer leases computer infrastructure, including a virtual data service to permit the storage of data off site.

The Issuer’s information security management systems have been certified to ISO 27001 standards. In line with the Issuer’s transformation projects, efforts have been made to increase IT and information management security and to encourage centralisation. In this respect, a cyber-security department has been established at the Issuer tasked with implementing efforts to prevent cyber-crime. The Issuer’s associates and joint ventures have been

subject to a few cyber-attacks in the past. Namely, in 2017, NCOC was one of the organisations affected by the “WannaCry” ransomware attack (in which the devices of many well-known organisations were infected with ransomware, which encrypted these organisations’ files and threatened to delete them unless the hackers were paid a bounty). Although oil production was not affected, there were no safety issues and data was recovered and the systems were back to normal in a short time. Also, in 2021 Rompetrol Rafinare (the operator of the Petromidia Refinery) was subject to an attempt to gain unauthorised access to its computer systems, which did not lead to major disruptions and did not have a material adverse effect on its operations and in March 2022, Rompetrol Rafinare faced a complex cyber-attack, as a result of which the operation of the website and certain applications were suspended. However, the operations of the Petromidia 126 Refinery and gas stations were not adversely affected. See “*Risk Factors—Risks relating to the Issuer’s business—The Group’s operations are dependent on the reliability and security of its IT systems*”.

## MANAGEMENT

The Issuer's management structure consists of its Board of Directors, its Management Board and the Chairman of the Management Board, the last two of which are responsible for the day-to-day management of the Issuer.

### Shareholders

As of 30 June 2025, the shareholders of the Issuer are as follows. Shares owned by the National Bank of the Republic of Kazakhstan and the Ministry of Finance of the Republic of Kazakhstan are held on trust by Samruk-Kazyna.

- Samruk-Kazyna – 67.42 per cent.
- Ministry of Finance of the Republic of Kazakhstan – 20 per cent.
- NBK – 9.58 per cent.
- Other minority shareholders – 3 per cent.

The shareholders perform the functions of the general shareholders' meeting as set forth in the JSC Law, the Law On the Sovereign Wealth Fund (550-IV, dated 13 February 2012, as amended) (the "**Sovereign Wealth Fund Law**"), the Issuer's charter (the latest edition was approved by a decision of shareholders on 30 May 2023, as amended on 28 May 2024) and the presidential edicts and resolutions of the Government on the establishment of Samruk-Kazyna and its role and functions in Kazakhstan's economy.

Such functions include, amongst others, the following:

- appointing the Issuer's external auditors;
- approving any increase in the Issuer's share capital;
- appointing the members of the Board of Directors;
- approving the Issuer's annual financial statements;
- approving the appointment of the Chairman of the Management Board;
- approving the payment of dividends by the Issuer; and
- approving purchases by the Issuer of shares in other legal entities (whether upon the establishment of such entities or otherwise) and participation by the Issuer in joint ventures where the amount of consideration paid by the Issuer in cash or in-kind for such acquisition or participation exceeds 25 per cent. of the balance sheet value of the Issuer's assets.

### Board of Directors

The Board of Directors is responsible for the general management of the Issuer's activities, directs the Issuer's strategy and policy and has authority to make decisions on all aspects of the Issuer's activities, except those matters expressly reserved to the shareholders pursuant to the JSC Law and the Issuer's charter (as outlined above). In particular, the powers of the Board of Directors include, amongst others, the following:

- approving the Issuer's strategy;
- approving the Issuer's accounting and taxation policies;
- appointing the members of the Management Board;
- adopting decisions on major transactions (which are defined by the JSC Law as transactions involving amounts greater than or equal to 25 per cent. of the balance sheet value of a company's assets) and interested party transactions (unless the counterparty to an interested party transaction is within the

Samruk-Kazyna group, in which case, the Management Board may adopt decisions relating to such transactions); and

- approving purchases by the Issuer of 10 per cent. or more of the shares in other legal entities.

Members of the Board of Directors are appointed by a resolution of the shareholders for a term of three years and shall not serve on the Board of Directors for more than nine consecutive years (although this limit is subject to certain exceptions). As at the date of this Offering Memorandum, the Board of Directors consists of nine members, five of whom, Messrs. Shakirov, Mynsharipova, Argingazin, Zhubayev and Holland are considered to be independent directors.

The Issuer's Board of Directors consists of the following members:

| <b>Name</b>                     | <b>Date of birth</b> | <b>First Appointed</b> | <b>Term expires</b> | <b>Current Position</b>                                                                          |
|---------------------------------|----------------------|------------------------|---------------------|--------------------------------------------------------------------------------------------------|
| Nurlan Karshagovich Zhakupov    | 31 Mar. 1978         | 2025                   | 2026                | Chairman of the Board of Directors of the Issuer<br>Representative of Samruk-Kazyna              |
| Askhat Khassenov                | 13 Oct. 1983         | 2024                   | 2026                | Member of the Board of Directors of the Issuer<br>Chairman of the Management Board of the Issuer |
| Shakirov Askar Orazaliyevich    | 02 Feb. 1956         | 2023                   | 2026                | Member of the Board of Directors of the Issuer<br>Independent Director                           |
| Holland, Philip Malcolm         | 25 Dec. 1954         | 2020                   | 2026                | Member of the Board of Directors of the Issuer<br>Independent Director                           |
| Karabalin Uzakbay Suleymenovich | 14 Oct. 1947         | 2016                   | 2026                | Member of the Board of Directors of the Issuer<br>Representative of Samruk-Kazyna                |
| Mynsharipova Saya Naimanbaykyzy | 19 Oct. 1970         | 2023                   | 2026                | Member of the Board of Directors of the Issuer<br>Independent Director                           |
| Argingazin Arman Anuarbekovich  | 01 Dec. 1978         | 2023                   | 2026                | Member of the Board of Directors of the Issuer<br>Independent Director                           |
| Otyunshiyev Yelzhas Muratovich  | 01 Apr. 1987         | 2023                   | 2026                | Member of the Board of Directors of the Issuer<br>Representative of Samruk-Kazyna                |
| Zhubayev Armanbai Saparbayevich | 28 Jan. 1977         | 2023                   | 2026                | Member of the Board of Directors of the Issuer<br>Independent Director                           |

The business address of each of the members of the Board of Directors and of the members of the Board's committees is the registered office of the Issuer at Kunayev Street 8, Astana 010000, Kazakhstan.

**Nurlan Karshagovich Zhakupov.** Mr. Zhakupov has been a member of the Board of Directors of the Issuer since 2025 and is a representative of Samruk-Kazyna. Mr. Zhakupov holds both a bachelor's and a master's degree in Economics from the Faculty of International Economic Relations at the Moscow State Institute of International Relations of the Ministry of Foreign Affairs of the Russian Federation (MGIMO) and earned a PhD in Economics from the Faculty of Management and Marketing in 2005. At the Royal Bank of Scotland, Mr. Zhakupov served as Director of the Investment Banking Department and Head of the Representative Office in Astana from 2011 to 2012. He then moved to UBS Bank, taking on the role of Executive Director of the Investment Banking Department and Head of the Representative Office in Astana between 2012 and 2016. In 2016, Mr. Zhakupov joined Kazatomprom NC JSC as Managing Director for Development and Investments and served as a Member of the Management Board until 2017. Mr. Zhakupov subsequently led the Social and Entrepreneurial Corporation "Astana" JSC as Chairman of the Management Board from 2017 to 2019. In 2019, he became the Representative of Rothschild & Co in Kazakhstan, a position he held until 2020. Mr. Zhakupov was appointed as Chairman of the Management Board of the Kazakhstan Investment Development Fund Management Company Ltd from 2020 to 2023. As of 2023, he serves as the Chairman of the Management Board of Samruk-Kazyna in Astana. Mr. Zhakupov is also the Chairman of the Board of Directors of Air Astana JSC and KEGOC JSC, representing Samruk-Kazyna in both capacities.

**Askhat Khassenov.** Mr. Khassenov has been a member of the Board of Directors of the Issuer since 2024. Mr. Khassenov graduated from The Kazakh National Technical University named after Kanysh Satpayev with a degree in Oil and Gas Wells Drilling in 2005 and later earned a degree in Management from the University of International Business in 2013. Mr. Khassenov began his career in 2005 as a 3rd grade Oil and Gas Production Operator at Turgai Petroleum JSC in Kyzylorda. In 2006, Mr. Khassenov joined JSC Main Dispatch Department of the Oil and Gas Industry, where he held various positions including leading and chief specialist, head of the Department for monitoring the development of oil and gas fields, Deputy Director, Director of the Department, and Vice President until 2010. From 2011 to 2019, Mr. Khassenov served in the Ministry of Oil and Gas of the Republic of Kazakhstan. During his tenure, he was Head of the State Inspection and Permit Issuance Department in the Oil and Gas Industry State Inspection Committee and later headed the Petrochemicals and Technical Regulation Department. In 2019, he was appointed Deputy CEO of KLPE LLP, a position he held until 2022. Between 2022 and 2024, Mr. Khassenov was Vice Minister of Energy of the Republic of Kazakhstan. In this role, he oversaw subsoil use and the development of petrochemistry, and chaired the Central Commission for the Exploration and Development of Hydrocarbon Deposits.

**Shakirov Askar Orazaliyevich.** Mr. Shakirov has been a member of the Board of Directors of the Issuer since 2023. Mr. Shakirov has graduated from the Institute of Asian and African Countries at Lomonosov Moscow State University in 1978 and earned the title of Candidate of Legal Sciences in 1985. He also holds the class rank of Ambassador Extraordinary and Plenipotentiary. Mr. Shakirov began his career at the Academy of the Ministry of Internal Affairs of the USSR, serving as a Research Fellow, Adjunct, and Senior Inspector in the group ensuring the work of the representative of the Soviet Union to the UN Committee on Crime Control and Criminal Justice from 1978 to 1987. He then moved to the Ministry of Internal Affairs of the USSR, working as a Desk Officer of the Foreign Relations Department from 1987 to 1989 and as Head of the Kazakhstan Department of the All-Union Scientific Research Institute from 1989 to 1992. In 1992, Mr. Shakirov joined the Ministry of Foreign Affairs of the Republic of Kazakhstan, where he held various roles including Head of the Treaty and Legal Department, Deputy Head, and later Head of the Treaty and Legal Department until 1995. He served as the Temporary Charge d'affaires of the Republic of Kazakhstan in the Republic of Korea from 1995 to 1996. From March to April 1996, he was Ambassador at Large at the Ministry of Foreign Affairs of the Republic of Kazakhstan. He was then appointed Deputy Minister of Foreign Affairs, a role he held from 1996 to 1998. From 1998 to 2004, Mr. Shakirov served as the Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan to the Republic of India. Returning to the Ministry of Foreign Affairs, he again served as Deputy Minister from 2004 to 2006. In 2006, he transitioned to the Ministry of Finance of the Republic of Kazakhstan as Chairman of the Customs Control Committee, where he served until 2007. Subsequently, he was appointed Commissioner on Human Rights in the Republic of Kazakhstan, a position he held from 2007 to 2019. In his elected and parliamentary roles, Mr. Shakirov was a Deputy in the Senate of the Parliament of the Republic of Kazakhstan from August 2019. He served as Deputy Chairman of the Committee on International Relations, Defence, and Security from September 2019 to January 2023, and as Chairman of the same committee from January to September 2023. He also held the position of Deputy Chairman and Special Representative on Sustainable Development Goals for the Parliamentary Assembly of the Organization for Security and Cooperation in Europe from 2021 to 2023. Additionally, he was Chairman of the Board of Directors at the Institute of Foreign Policy Studies at the Ministry of Foreign Affairs of the Republic of Kazakhstan from 2020 to 2022.



**Holland, Philip Malcolm.** Mr. Holland has been a member of the Board of Directors of the Issuer since 2020. Philip joined Bechtel Corporation in 1980 and managed major oil and gas projects in a wide range of international locations. In 2004, he joined Shell where, in 2009, he became executive vice-president downstream projects in Shell's newly formed projects and technology business. In 2010, he was appointed as project director for Shell's Kashagan phase 2 project in Kazakhstan, and subsequently the Shell/QP Al Karaana petrochemicals project. Since 2013, he has operated as an independent project management consultant.

**Karabalin Uzakbay Suleymenovich.** Mr. Karabalin has been a member of the Board of Directors of the Issuer since 2016 and is a representative of Samruk-Kazyna. Mr. Karabalin has over 20 years of experience in the oil and gas sector and also holds a number of academic positions. He was Head of the Laboratories of Drilling Technology and Drilling Liquids of Kazakh Scientific Research and Exploration Oil Institute from 1974 until 1981, before becoming the Deputy Director for Science and Research of the Kazakh Scientific Research and Exploration Oil Institute between 1981 and 1988, Head of the Department for the Development of Technical Progress and Deep Drilling of the Main Territorial Administration of Prikaspiygeologiya between 1988 and 1990 and the Chair of the Guryev Branch of Kazakh Polytechnical Institute between 1988 and 1990. Mr. Karabalin was the Senior Officer of Industry Division of the Presidential Executive Office of the Republic of Kazakhstan and the Cabinet of Ministers of the Republic of Kazakhstan between 1991 and 1992. He then held the position of Head of the Main Department of Oil and Gas of the Ministry of Energy and Fuel Resources of the Republic of Kazakhstan between 1992 and 1994 and Vice-Minister of Energy and Fuel Resources of the Republic of Kazakhstan and Vice-Minister of Oil and Gas Industry of the Republic of Kazakhstan between 1994 and 1995. Mr. Karabalin was Vice-President for Corporate Development, Director of Perspective Development, and the First Vice-President of National Oil and Gas Company KazakhOil between 1997 and 2000. He served as Acting President of the Issuer in 1999 and as President of KTG between 2000 and 2001, before acting as the Vice Minister of Energy and Mineral Resources of the Republic of Kazakhstan between 2001 and 2003. Mr. Karabalin, was President of the Issuer between 2003 and 2008. He also served as the Chairman of the Board of Directors of KTO, JSC NC Transport of Oil and Gas, CJSC NC KazMunayGas and KMG EP between 2006 and 2008 and as a Member of the Council of National Investors under the President of the Republic of Kazakhstan between 2007 and 2008. Mr. Karabalin was Acting General Director of JSC Mangistaumunaigas in 2008 and General Director of JSC Kazakhstan Institute of Oil and Gas between 2010 and 2013. He served as the Minister of Oil and Gas of the Republic of Kazakhstan between 2013 and 2014. Mr. Karabalin was the First Deputy Minister of Energy of the Republic of Kazakhstan between 2014 and 2016 and currently serves as deputy chairman of KazEnergy, as chairman of the trust fund of the Atyrau University of Oil and Gas and as a member of the Board of Directors of JSC KIOG. Mr. Karabalin graduated from the Moscow Institute of Petrochemical and Gas Industry in 1970. He received a PhD from the Ufa Oil Institute in 1985.

**Mynsharipova Saya Naimanbaykyzy.** Ms. Mynsharipova has been a member of the Board of Directors of the Issuer since 2023. Ms. Naimanbaykyzy graduated from the Kazakh State University of Economics in Almaty in 1992 and later obtained an Executive MBA from the Lomonosov Moscow State University Graduate School of Business in 2010. Ms. Mynsharipova served as Auditor and Chief Accountant, working for different commercial organisations from 1995 to 2008. In 2008, she joined Samruk-Kazyna as Director of the Audit and Control Department, a position she held until 2015. She then moved to JSC NC Kazakhstan Engineering, where she served as Deputy Chairman of the Management Board from February 2015 to August 2018. From September 2018 to March 2023, Ms. Mynsharipova was the Director of the Tax Policy Department at AIFC Administration. Ms. Mynsharipova serves as an Independent Director and member of the Board of Directors at JSC NC Qazaqgaz and JSC NC Samruk-Kazyna Construction.

**Argingazin Arman Anuarbekovich.** Mr. Argingazin has been a member of the Board of Directors of the Issuer since 2023. He graduated with a Bachelor of Science in Business Administration, with a concentration in Finance, from Boston University School of Management, where he was also recognized on the Dean's List. Mr. Argingazin began his career as a Financial Analyst at Halyk Bank in 2000. He then joined HSBC Bank Kazakhstan in 2001, where he served as a Relationship Manager, Staff Officer, and Deputy Head of the Business Development Department until 2003. In 2004, he moved to ABN AMRO Bank Kazakhstan in Astana, where he initially worked as a Manager/Assistant VP in Commercial Banking before working as a Manager/Head of Metals and Mining in 2006. From 2006 to 2012, Mr. Argingazin worked at RBS Kazakhstan in Almaty, holding the positions of Head of Corporates, Management Board Member, and Executive Director. Following this, he served as Managing Director at UBS AG Representative Office in Almaty from 2012 to 2021. Mr. Argingazin serves as an Independent Director and Chairman of the Board of Directors at JSC NAC Kazatomprom. He is also an Independent Director and member of the Board of Directors at the Kazakhstan Investment Development Fund.

**Otynshiyev Yelzhas Muratovich.** Mr. Otynshiyev has been a member of the Board of Directors of the Issuer since 2023 and is a representative of Samruk-Kazyna. Mr. Otynshiyev holds both a Bachelor's and a Master's degree in Applied Mathematics and Physics from the Moscow Institute of Physics and Technology, earned in 2008 and 2010 respectively. Mr. Otynshiyev began his career at Ernst & Young (Moscow) in 2007, where he worked in Audit and Consulting Services, Technology, and Security Services, progressing from Analyst to Senior Analyst. He later transitioned to Ernst & Young's Evaluation and Business Modelling Division as an Analyst from 2008 to 2009. In 2009, he joined Tau-Ken Samruk National Mining Company JSC, where he held various positions in the Investment Projects Department and Financial Institutions Department, ultimately serving as Director of the Department until 2012. He then moved to Samruk-Kazyna, working as Chief Manager in the Investment Projects Department until 2014. From 2014 to 2016, Mr. Otynshiyev was seconded to Samruk-Kazyna Invest LLP, serving as Director of the Department of Project Analysis of the Fund's Investment Activity. He returned to Samruk-Kazyna in 2016 as Project Director of the Department of New Project Development, managing the growing portfolio companies until 2018. He subsequently became Head of the Mining Assets Development Branch of the Asset Development Department from 2018 to 2019. In 2019, Mr. Otynshiyev joined the Kazakhstan Investment Development Fund (KIDF) Management Company Ltd. as a Senior Analyst/VP in the Private Equity Department. Later that year, he moved to PlanetCare Management LLP as Deputy General Director for Investments and Development, a role he held until 2021. He then returned to KIDF Management Company Ltd. as Deputy Chairman of the Management Board from 2021 to 2023. Currently, Mr. Otynshiyev serves as Co-Managing Director for Strategy and Asset Management, and Managing Director for Strategy and Asset Management at Samruk-Kazyna since 2023. Mr. Otynshiyev is a member of the Board of Directors at NAC Kazatomprom JSC, representing Samruk-Kazyna since June 2023. He also serves as Chairman of the Board of Directors at JSC NC QazaqGas, representing Samruk-Kazyna since May 2023.

**Zhubayev Armanbai Saparbayevich.** Mr. Zhubayev has been a member of the Board of Directors of the Issuer since 2023. He holds a bachelor's degree in business administration from Duquesne University, obtained in 1999. He furthered his education with a Master of Science in Comparative Social Policy from Oxford University in 2003 and an MBA from the University of California, Berkeley in 2007. He also became a Certified Financial Analyst (CFA) in 2012. Mr. Zhubayev began his career as a Marketing Specialist at SAP Company in the USA from 2006 to 2008. He then joined McKinsey Company in Moscow as a Consultant from 2009 to 2010. In 2010, he moved to Polymetal Company in Kazakhstan, where he worked until 2012. Following this, he joined KPMG in Kazakhstan as a Senior Manager from 2012 to 2013. He then transitioned to PwC in Kazakhstan, where he served as Senior Manager and later Director from 2013 to 2020. In 2020, he founded his own consulting firm, where he continues to work to the present time. Mr. Zhubayev is an Independent Director and member of the Board of Directors at NAC Kazatomprom JSC, JSC Samruk-Energy and JSC National Mining Company Tau-Ken Samruk.

## **Committees of the Board of Directors**

The Issuer's Board of Directors includes the Audit Committee, the Nomination and Remuneration Committee, the Strategy and Portfolio Management Committee, and the Health, Safety, Environment and Sustainable Development Committee.

### ***Audit Committee***

The Audit Committee is an advisory body of the Board of Directors with the role of considering all the issues concerning internal and external financial audit, financial statements and risk management, as well as the development of recommendations to the Board of Directors when necessary to make decisions on emerging issues.

As at the date of this Offering Memorandum, the Audit Committee consists of the following members:

| <b>Name</b>                     | <b>Position</b>             |
|---------------------------------|-----------------------------|
| Zhubayev Armanbai Saparbayevich | Chair since June 2024       |
| Holland Philip Malcolm          | Member since September 2020 |
| Mynsharipova Saya Naimanbaykyzy | Member since August 2023    |

### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee makes recommendations to the Board of Directors concerning the general policy of nomination to top positions and remuneration issues. The activity and recommendations of the Nomination and Remuneration Committee form the basis for the succession planning of the Board of Directors and the Management Board and secure continuous and objective control over the performance of members of the Management Board, the Corporate Secretary, and other senior employees. The goals of the Nomination and Remuneration Committee also include ensuring an efficient personnel policy, wage and remuneration system, social support, professional development, and occupational training of company officials and employees.

As at the date of this Offering Memorandum, the Nomination and Remuneration Committee consists of the following members:

| <b>Name</b>                     | <b>Position</b>            |
|---------------------------------|----------------------------|
| Holland Philip Malcolm          | Chair since September 2020 |
| Mynsharipova Saya Naimanbaykyzy | Member since August 2023   |
| Shakirov Askar Orazaliyevich    | Member since February 2024 |
| Argingazin Arman Anuarbekovich  | Member since June 2023     |

### **Strategy and Portfolio Management Committee**

The Strategy and Portfolio Management Committee makes recommendations to the Board of Directors in respect of the Issuer's development strategy and investment policy. The Strategy and Portfolio Management Committee's competence includes recommendations on enhancement of the Issuer's investment appeal through improvement of corporate governance, recommendations on the Issuer's financial and economic planning, and innovations.

As at the date of this Offering Memorandum, the Strategy and Portfolio Management Committee consists of the following members:

| <b>Name</b>                     | <b>Position</b>            |
|---------------------------------|----------------------------|
| Argingazin Arman Anuarbekovich  | Chair since June 2024      |
| Holland Philip Malcolm          | Member since June 2022     |
| Karabalin Uzakbay Suleymenovich | Member since August 2017   |
| Otynshtyev Yelzhas Muratovich   | Member since July 2023     |
| Mynsharipova Saya Naimanbaykyzy | Member since August 2023   |
| Shakirov Askar Orazaliyevich    | Member since February 2024 |

### **Health, Safety, Environment and Sustainable Development Committee**

The Health, Safety, Environment and Sustainable Development Committee makes recommendations to the Board of Directors as to maintaining health, safety and environment; what sustainable development principles to incorporate into strategy planning and social and economic growth of the Issuer; on social commitments and initiatives that the Issuer has under subsoil use contracts it has entered into; on how to ensure business continuity for the Issuer; and on environmental effectiveness of the Issuer.

As at the date of this Offering Memorandum, the Health, Safety, Environment and Sustainable Development Committee consists of the following members:

| <b>Name</b>                     | <b>Position</b>        |
|---------------------------------|------------------------|
| Zhubayev Armanbay Saparbayevich | Chair since June 2023  |
| Argingazin Arman Anuarbekovich  | Member since June 2023 |
| Karabalin Uzakbay Suleymenovich | Member since May 2019  |

### **Management Board**

The Management Board is responsible for the day-to-day management and administration of the Issuer, subject to the supervision of the Board of Directors and the shareholders. The Management Board's responsibilities include the following:

- approving purchases by the Issuer of up to 10 per cent. of the shares in other legal entities;
- implementing the Issuer's strategic development plan;
- implementing and monitoring the implementation of resolutions of the Board of Directors, the shareholders and recommendations of the Issuer's external auditors and Internal Audit Service;
- adopting decisions relating to interested party transactions concluded with Samruk-Kazyna group companies;
- approving the Issuer's budget; and
- dealing with all other matters not reserved to the Board of Directors or the shareholders.

As at the date of this Offering Memorandum, the Issuer's Management Board consists of ten members. The Board of Directors appoints the members of the Management Board. The Board of Directors may at any time terminate the authority of any Management Board members, other than the Chairman of the Management Board, who is appointed by the shareholders.

As at the date of this Offering Memorandum, the Issuer's Management Board consists of the following members:

| <b>Name</b>         | <b>Date of Birth</b> | <b>Appointed</b> | <b>Position with the Issuer</b>               |
|---------------------|----------------------|------------------|-----------------------------------------------|
| Askhat Khasenov     | 13 October 1983      | May 2024         | Chairman of the Management Board              |
| Kurmangazy Iskazyev | 11 May 1965          | May 2024         | First Deputy Chairman of the Management Board |
| Bekzat Abaiyldanov  | 16 August 1976       | September 2024   | Deputy Chairman of the Management Board       |
| Asset Magauov       | 28 November 1972     | September 2024   | Deputy Chairman of the Management Board       |
| Bulat Zakirov       | 16 July 1976         | May 2022         | Deputy Chairman of the Management Board       |
| Ruslan Balykbayev   | 7 April 1987         | July 2024        | Deputy Chairman of the Management Board       |
| Diana Aryssova      | 20 March 1979        | April 2023       | Deputy Chairperson of the Management Board    |

|                   |                 |               |                                         |
|-------------------|-----------------|---------------|-----------------------------------------|
| Shafkat Kudabayev | 28 October 1980 | February 2025 | Deputy Chairman of the Management Board |
| Kazbek Kussainov  | 24 March 1981   | April 2025    | Deputy Chairman of the Management Board |

The business address of each of the members of the Management Board is the registered office of the Issuer at Kunayev Street 8, Astana 010000, Kazakhstan.

**Askhat Khasenov.** See “—*Composition of the Board of Directors*”.

**Kurmangazy Iskaziyeu.** Mr. Iskaziyeu graduated from the Oil Faculty of the Kazakh Polytechnic Institute named after V. Lenin with a degree in Mining Engineering and Geology. He also holds a doctorate degree in Geological and Mineralogical Sciences. Mr. Iskaziyeu began his career in 1985 as an Operator at EMBANEFT Production Association. Over the years, he has held several prominent positions within the industry. From 2006 to 2024, he led various key departments and organizations, including Embamunaigas, the Issuer’s Exploration and Production, the Issuer’s Representative Office in Aktau, and Kalamkas-Khazar Operating. Throughout his tenure at the Issuer, Mr. Iskaziyeu served in numerous senior roles, such as Executive Director of Oil and Gas Production, Managing Director of Geology, Geophysics and Reservoirs, Chief Geologist, Managing Director of Non-Operating Assets, Chief Exploration, Production and Oilfield Services Officer, and Chief Geology and Exploration Officer. Mr. Iskaziyeu is a recipient of the prestigious Al-Farabi State Prize in Science and Technology and has been honoured with the KURMET Order for his significant contributions to the field.

**Bekzat Abaiyldanov.** Mr. Abaiyldanov graduated from K. Satpayev Kazakh National Technical University in 1999 with a degree in Management and Production Organization. In 2001, he earned a second degree from the same university in Development and Operation of Oil and Gas Fields, qualifying as a mining oil engineer. Mr. Abaiyldanov began his career in 1999 at Uzenmunaigas JSC as a shop normalizer. With over 20 years of experience in the oil and gas industry, he has held various significant positions. From 2000 to 2005, he worked as a leading engineer-economist, head of the Planning, Labor and Payroll Department, Asset Management Department, and director of the Control and Analytical Department at JSC OzenMunaiGas. From 2005 to 2009, Mr. Abaiyldanov held senior positions in various companies within the oil and gas sector. Between 2009 and 2016, he served as Chairman of the Management Board and General Director of JSC Caspian Oil. In 2016, he was appointed Deputy General Director for Production of JSC RD KazMunaiGas. From 2017 to 2018, he held the position of Deputy General Director for Production of JSC RD KazMunaiGas, concurrently serving as General Director of JSC Ozenmunaigas. From 2018 to 2020, Mr. Abaiyldanov was an advisor to the Chairman of the Board of JSC NC KazMunaiGas. From 2020 to 2021, he served as Deputy General Director for Resource Base Development and Technical Policy, and as Deputy Chairman of the Board for Exploration and Production of JSC NC KazTransGas. Since 17 September 2024, Mr. Abaiyldanov has been appointed Deputy Chairman of the Management Board of the Issuer, overseeing the geology, exploration, oil and gas production block, and oilfield services projects. Mr. Abaiyldanov has been recognized with the National Certificate and the medal Industry Leader 2015. According to National Business analytical data from 2015, he ranked among the Top 10 best CEOs in Kazakhstan. He also has a number of publications in scientific journals.

**Asset Magauov.** Mr. Magauov graduated with a degree in Economics and Management in the Energy Sector from the Gubkin State Academy of Oil and Gas. Mr. Magauov began his career in 1994 at Tenizmunaigas, where he worked as an economist, 2nd category economist, and deputy head of the department until 1998. From 1998 to 2001, he held various positions within the Ministry of Energy, Industry and Trade of the Republic of Kazakhstan, including Deputy Head of Division, Head of Division, Deputy Director of the Tax and Tariff Policy Department, and Deputy Director of the Department for Management of State Assets. In 2001, Mr. Magauov joined NOC Kazakhoil as Chief Manager, and later served as Deputy Director at NC Oil and Gas Transportation from 2001 to 2002. Between 2002 and 2004, he served as Deputy Director and Director of a department at the Issuer. From 2004 to 2006, he held the position of Deputy CEO at Tengizchevroil, followed by a role as Managing Director for JV share management at the Issuer from 2006 to 2008. Mr. Magauov was appointed Vice-Minister in the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan from 2008 to 2010, and subsequently served as Vice-Minister in the Ministry of Oil and Gas from 2010 to 2011. He then became CEO of Mangistaumunaigaz from 2011 to 2012, and CEO of the Kazenergy Association from 2012 to 2016. In 2016, Mr. Magauov returned to public service as Vice-Minister in the Ministry of Energy of the Republic of Kazakhstan until 2017, before resuming his role as CEO of the Kazenergy Association from 2017 to 2019. He once again served as Vice-Minister in the Ministry of Energy from 2019 to 2023, and subsequently worked as an external

advisor to the Minister of Energy in 2023-2024. Since 2024, Mr. Magauov has been serving as the CEO of the International Centre for Development of Oil and Gas Machine Building.

**Bulat Zakirov.** Mr. Zakirov holds a degree in International Monetary and Financial Relations from the Kazakh State Academy of Management and a degree in Oil and Gas Economics from the University of Dundee in Scotland. Mr. Zakirov began his professional career in 1999 at KTO, where he held various positions over a decade, including Specialist of the Strategic Planning Department, Manager of the Project Management Department, Chief Manager, Deputy Director and subsequently Director of the Transport Logistics Department, Director of the Advanced Development Department, and Deputy CEO for Development. From 2009 to 2011, he served as Deputy CEO and CEO of KMG-Transcaspian LLP. Between 2012 and 2016, Mr. Zakirov worked at KTO as Advisor to the CEO, Managing Director for Production, Deputy CEO for Development, and Managing Director for Assets. From 2016 to 2018, he was Advisor to the CEO of KMG Systems & Services LLP. Since 2018, Mr. Zakirov has been Director of the Oil Transportation Department and Head of Oil Transportation Administration of the Issuer. In May 2022, Mr. Zakirov was appointed Deputy Chairman of the Management Board of the Issuer, overseeing Oil Transportation, International Projects, and the Sary-Arka Gas Pipeline Construction.

**Ruslan Balykbayev.** Mr. Balykbayev graduated from the Kazakh-British Technical University in 2008 with a specialization in Oil and Gas Field Development. In 2010, he earned a Master's degree in Petroleum Engineering from the Polytechnic University of Turin in Italy. Mr. Balykbayev began his career in 2010 at the National Agency for the Development of Local Content (NADLoC) under the Ministry of Industry and New Technologies of the Republic of Kazakhstan. From 2011 to 2013, he was employed by Agip Kazakhstan North Caspian Operating Company N.V. (Agip KKO) as an Engineer. From 2013 to 2024, Mr. Balykbayev held various positions at PSA LLP, including Manager, Chief Manager, Director of the Technical Department, and General Manager for the North Caspian Project, where he was also a member of the Management Board. In July 2024, Mr. Balykbayev was appointed as Deputy CEO of the Issuer. He has been recognized for his contributions to the industry with the Yeren Enbegi Ushin medal and the Honoured Worker of the Oil and Gas Industry badge.

**Diana Aryssova.** Ms. Aryssova graduated with honours from the Kazakh State Academy of Management, qualifying in International Finances. She holds an MBA degree from the Yokohama National University and a degree in Corporate Finance from the London Business School. Ms. Aryssova began her career in 1999 as Lead Economist of the Currency Regulation and Control Office at NBK. From 2004 to 2005, she worked as Assistant for Banking Affairs at the European Bank for Reconstruction and Development. Between 2006 and 2007, she served as the Energy Project Coordinator at the British Embassy in the Republic of Kazakhstan. From 2007 to 2012, Ms. Aryssova held various positions at OOC KazMunayTeniz JSC, including Deputy Director, Director of the Corporate Finance Department, and Acting Deputy General Director for Economy and Finance. From 2012 to 2016, she was Deputy General Director for Economy and Finance and Chief Financial Officer at KMG Drilling & Services LLP. Between 2016 and 2023, she served as Director of the Oil and Gas Operation Account Examination Department at PSA LLP. In April 2023, Ms. Aryssova was appointed Deputy Chairman of the Management Board of the Issuer.

**Shafkat Kudabayev.** Mr. Kudabayev graduated from Karaganda University of Business, Management and Law, majoring in Legal Science. He also holds degrees in Finance and Credit from Karaganda Buketov University, an MBA from the Gubkin Russian State University of Oil and Gas (National Research University) in Russia, and a Master's degree in Legal Science from the Russian Presidential Academy of National Economy and Public Administration in Moscow. Mr. Kudabayev began his professional career in 2001 as a lead specialist in the Legal Department of the Ministry of State Revenue of the Republic of Kazakhstan. From 2002 to 2008, he held various positions within the Legal Department of the Tax Committee of the Ministry of Finance of the Republic of Kazakhstan, including lead specialist, chief specialist, department head, deputy head of the International Taxation Office, and head of the Legal Office. From 2008 to 2010, he served as Head of the Karaganda Region Tax Department of the Tax Committee of the Ministry of Finance of the Republic of Kazakhstan. From 2010 to 2014, he was Head of the Specialized Office of the Tax Committee of the Ministry of Finance, and from 2014 to 2020, he continued in this role within the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan. From 2022 to 2024, Mr. Kudabayev served as Director of the Subsurface Use Department of the Ministry of Energy of the Republic of Kazakhstan. Since 2024, he has held the position of Business Partner in the Service of the Chair of the Management Board of the Issuer. In February 2025, Mr. Kudabayev was appointed Deputy Chair of the Management Board.

**Kazbek Kussainov.** Mr. Kussainov graduated from the University of International Business with a degree in Economics and from the Kazakh National Technical University with a degree in Mining and Petroleum

Engineering. He also holds an Executive MBA degree from the Moscow School of Management Skolkovo. Mr. Kussainov began his career in 2000 as a specialist in the administrative department of KTO. From 2002 to 2003, he worked as the Chief Specialist of the Asset Management Department of the Issuer. Between 2003 and 2005, he served as Chief Manager and subsequently Deputy Director of the Asset Management Department at KazTransGas JSC. From 2005 to 2021, Mr. Kussainov held the position of First Deputy General Director at M&SE LLP. He has also held various board positions, including Member of the Board of Directors (Independent Director) at JSC NPF Otan from 2010 to 2011, JSC IO Kazakhstan Mortgage Company from 2010 to 2013, and Optima Bank OJSC from 2014 to 2017. Additionally, Mr. Kussainov served as Vice-President of the NGO Kazakhstan Chess Federation from 2016 to 2020 and as Chairman of the Supervisory Board of Bugin Holding LLP from 2020 to 2022. From 2023 to 2025, he was a member of the Board of Directors (Independent Director) at KTO. In April 2025, Mr. Kussainov was appointed Deputy Chairman of the Management Board of the Issuer.

### ***Chairman of the Management Board***

The Chairman of the Management Board is the Issuer's chief executive officer. The current Chairman of the Management Board, Askhat Khasenov, was appointed by a resolution of the Management Board of Samruk-Kazyna in 2024.

The business address of the Chairman of the Management Board is the registered office of the Issuer at Kunayev Street 8, Astana 010000, Kazakhstan.

### ***Internal Audit Service***

The Internal Audit Service is a unified centralised body of the Issuer directly subordinate to and accountable to the Board of Directors. The Internal Audit Service exercises control over the financial and economic activities of the Group in accordance with the laws of Kazakhstan (namely the Law of Kazakhstan "On the National Welfare Fund") and internal policies and procedures of the Issuer, assesses the field of internal control and risk management, executes corporate governance documents and consults in order to improve the activities of the Group.

The main goal of the Internal Audit Service is to provide the Board of Directors with independent and objective information intended for the effective management of the Group by introducing a systematic approach on improving the processes of risk management, internal control and corporate governance. The Internal Audit Service carries out its activities in accordance with the annual plan approved by the Board of Directors.

### ***Management Remuneration***

In accordance with the Issuer's charter, the remuneration of the members of the Board of Directors is determined by the shareholders, whilst remuneration of the Chairman of the Management Board, the members of the Management Board and the Internal Audit Service is determined by the Board of Directors based on the policy of the shareholders.

Total compensation to the key management personnel of the Issuer amounted to KZT 7,568 million for the year ended 31 December 2024, KZT 7,769 million for the year ended 31 December 2023 and KZT 7,375 million for the year ended 31 December 2022. Compensation to key management personnel consists of salary and a performance bonus based on operating results.

### ***Employment Contracts with Senior Executive Officers***

In general, the Issuer enters into employment contracts of indefinite duration with its senior executive officers. Under these contracts, the senior executive officers of the Issuer are entitled, in addition to their regular salary, to annual bonuses based on the Issuer's annual performance.

### ***Conflicts of Interest***

There are no potential conflicts of interest between any duties owed to the Issuer by members of the Board of Directors, the Management Board, the Chairman of the Management Board and the Internal Audit Service and their private interests or other duties, save that Karabalin Uzakbay Suleymenov holds 19,310 ordinary shares in KTO.





## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each Definitive Note, only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note.*

This Note is one of a duly authorised issue of notes (the “**Notes**”) issued by Joint Stock Company "National Company" "KazMunayGas" (the “**Issuer**”) under a CNY10,000,000,000 Medium Term Note Programme (the “**Programme**”) established by the Issuer.

The Notes are constituted by a Trust Deed dated 20 October 2025 (as amended or supplemented from time to time, the “**Trust Deed**”) between the Issuer and Bank of China (Hong Kong) Limited (the “**Trustee**”, which expression shall include all Persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Notes referred to below. An Agency Agreement (as amended or supplemented from time to time, the “**Agency Agreement**”) dated 20 October 2025 has been entered into in relation to the Notes among the Issuer, the Trustee, Bank of China (Hong Kong) Limited as calculation agent (the “**Calculation Agent**”), principal paying agent (the “**Principal Paying Agent**”) and a transfer agent (a “**Transfer Agent**”), Bank of China (Hong Kong) Limited as lodging and paying agent for Central Moneymarkets Unit operated by the Hong Kong Monetary Authority (“**CMU**”) (the “**CMU Lodging and Paying Agent**”, and together with the Principal Paying Agent, the “**Paying Agents**” and each, a “**Paying Agent**”), Bank of China (Hong Kong) Limited as registrar (the “**Registrar**”). Copies of the Trust Deed, the Agency Agreement and any Pricing Supplement are available for inspection upon reasonable request during usual business hours at the principal office of the Trustee (presently at 5/F Bank of China Building, 2A Des Voeux Road Central, Hong Kong) and at the specified offices of the Paying Agents and the Transfer Agents. For the purposes of these Conditions, all references to the Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the applicable Pricing Supplement. All Capitalised terms that are not defined in these conditions will have the meanings given to them in the Trust Deed and the applicable Pricing Supplement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects except for the date of issue of the Notes (the “**Issue Date**”), Interest Commencement Date and the amount of the first interest payment.

### 1. **Form, Denomination and Title**

The Notes are issued in registered form in the Specified Denomination(s) shown in the applicable Pricing Supplement or integral multiples thereof, without interest coupons, provided that the Specified Denomination(s) shall not be less than CNY1,000,000 (in the case of Notes denominated in Renminbi) or €100,000 (in the case of Notes denominated in currencies other than Renminbi) or its equivalent in other currencies.

Title to the Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no Person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the Person in whose name a Note is registered, “**holder**” shall be read accordingly and capitalised terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

*Upon issue, the Notes will be represented by a Global Note registered in the name of, and lodged with a sub-custodian for, the CMU Operator, and will be exchangeable for Definitive Certificate only in the circumstances set out therein.*

*For so long as any of the Notes are represented by the Global Note, each person who is for the time being shown in the records of the CMU Operator as the holder of a particular principal amount of Notes (each such person, an “account holder”) (in which regard any certificate or other documents issued by the CMU Operator as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes other than with respect to the payment of principal, premium (if any) or interest on the Notes, the right to which shall be vested, as against the Issuer, the Trustee, the Agents and the CMU Operator solely in the registered holder of the Global Note in accordance with and subject to its terms) shall be treated by the Issuer, the Trustee, the Agents and the CMU Operator as the holder of such principal amount of such Notes for all purposes. Notwithstanding the above, if the Global Note is held by or on behalf of the CMU, any payments that are made in respect of the Notes evidenced by the Global Note shall be made to the respective account holders. For so long as any of the Notes are represented by the Global Note and the Global Note is held with the CMU, any transfer of principal, premium and interest amounts of Notes shall be effected in accordance with the rules and procedures for the time being of the CMU Operator. Except in the limited circumstances described in the Global Note, owners of interests in Notes represented by the Global Note will not be entitled to receive Definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form.*

## 2. **Transfers of Notes**

- (a) **Transfer of Notes:** One or more Notes may be transferred, in whole or in part in the authorised denominations set out in the applicable Pricing Supplement and subject to minimum transfer amounts specified therein, upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the relevant Note or Notes, together with the form of transfer endorsed on such Note or Notes (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of a Note, a new Note shall be issued to the transferee in respect of the part transferred and a further new Note in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (b) **Exercise of Options or Partial Redemption in Respect of Notes:** In the case of an exercise of the Issuer’s or Noteholders’ options in respect of, or a partial redemption of, a holding of Notes, a new Note shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Notes of the same holding having different terms, separate Notes shall be issued in respect of those Notes of that holding that have the same terms. New Notes shall only be issued against surrender of the existing Notes to the Registrar or any Transfer Agent. In the case of a transfer of Notes to a Person who is already a holder of Notes, a new Note representing the enlarged holding shall only be issued against surrender of the Note representing the existing holding.
- (c) **Delivery of New Notes:** Each new Note to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 10(g)) and surrender of the Note for exchange. Delivery of the new Note(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Note shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Note to such address as may be so specified, unless such holder requests otherwise and pays in advance to the

relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (d) **Transfer Free of Charge:** Transfer of Notes on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (e) **Closed Periods:** No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of, any Interest Amount in respect of, that Note, or (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Conditions 10(d), (e), (f) or (h) or (iii) after any such Note has been called for redemption.

### 3. **Status of the Notes**

The Notes constitute direct, general, unconditional and (subject to Condition 4) unsecured obligations of the Issuer which rank and will rank *pari passu* among themselves and at least *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations of the Issuer, save only for such obligations as may be preferred by mandatory provisions of applicable law.

### 4. **Negative Pledge**

- (a) So long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer shall not, and shall not permit any Material Subsidiary to, create, incur, assume or suffer to exist any Security Interest, other than a Permitted Security Interest (as defined below) upon the whole or any part of its undertaking, property, assets or revenues, present or future, to secure for the benefit of the holders of any Relevant Indebtedness (as defined below):
  - (i) payment of any sum due in respect of any such Relevant Indebtedness;
  - (ii) any payment under any guarantee of any such Relevant Indebtedness; or
  - (iii) payment under any indemnity or other like obligation relating to any such Relevant Indebtedness,

without in any such case at the same time or prior thereto procuring that the Notes (x) are secured equally and rateably with such Relevant Indebtedness for so long as such Relevant Indebtedness is so secured or (y) have the benefit of such other guarantee, indemnity or other like obligations or such other security (in each case) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

- (b) For purposes of this Condition 4:

“**Domestic Relevant Indebtedness**” means any Relevant Indebtedness which is denominated and payable in Tenge, which on issue was not quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market outside the Republic of Kazakhstan and which on issue was placed only with investors within the Republic of Kazakhstan;

“**Non-recourse Acquisition Financing**” means any financing of all or part of the costs of the acquisition, construction or development of any assets or properties, provided that: (i) any Security Interest given by the Issuer or any of its Material Subsidiaries in connection therewith is limited solely to such assets or properties; (ii) the Persons providing such financing expressly agree to limit their recourse to the assets or properties whose acquisition, construction or development is financed and any revenues derived from such assets or properties as the principal source of repayment for the moneys advanced; and (iii) there is no other recourse to the Issuer or any of its Material Subsidiaries in respect of any default by any Person under the financing;

**“Permitted Security Interest”** means, without duplication:

- (i) any Security Interest existing on the Issue Date; or
- (ii) any Security Interest created or existing in respect of Domestic Relevant Indebtedness; or
- (iii) any Security Interest existing on any property, income or assets of any company at the time such company becomes a Material Subsidiary of the Issuer or such property, income or assets are acquired (whether as a result of an acquisition, merger, consolidation or otherwise) by the Issuer or any Material Subsidiary provided that such Security Interest was not created in contemplation of such event and that no such Security Interest shall extend to other property, income or assets of such company or the Group; or
- (iv) any Security Interest granted to secure a Non-recourse Acquisition Financing; or
- (v) any Security Interest created or existing in respect of Relevant Indebtedness the principal amount of which (when aggregated with the principal amount of any other Relevant Indebtedness which has the benefit of a Security Interest or Security Interests) does not exceed 20 per cent. of the consolidated total assets, as determined by reference to the most recently available consolidated financial statements prepared in accordance with IFRS of the Issuer; or
- (vi) any Security Interest arising out of the refinancing, extension, renewal or refunding of any Relevant Indebtedness secured by a Security Interest permitted by any of the above exceptions, provided that, unless otherwise permitted under sub-paragraphs (i) to (v) above, the Relevant Indebtedness thereafter secured by such Security Interest does not exceed the amount of the original Relevant Indebtedness and such Security Interest is not extended to cover any property not previously subject to such Security Interest; or
- (vii) for the avoidance of doubt, any Security Interest created or existing in respect of any Indebtedness that is not Relevant Indebtedness;

**“Relevant Indebtedness”** means any present or future Indebtedness in the form of, or represented by, notes, debentures, bonds or other similar capital market instruments and which is ordinarily quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market; and

**“Security Interest”** means any mortgage, pledge, encumbrance, easement, restriction, covenant, right-of-way, servitude, lien, charge or other security interest or adverse claim of any kind (including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction and any conditional sale or other title retention agreement or lease in the nature thereof).

## 5. **Limitation on Sales of Assets**

So long as any amount remains outstanding under the Notes:

- (a) the Issuer will not, and will not permit any Material Subsidiary to, either in a single transaction or in a series of transactions (whether related or not), sell, lease, transfer or otherwise dispose of all or any of its respective assets or properties (including shares of Capital Stock) to any Person, except as follows:
  - (i) disposals of assets or properties for which the Issuer or such Material Subsidiary (as the case may be) receives consideration at the time of such disposal at least equal to the Fair Market Value (including as to the value of all non-cash consideration) of assets subject to such disposal; or
  - (ii) disposals of assets or properties in the ordinary course of business by the Issuer or the relevant Material Subsidiary; or

- (iii) disposals of assets or properties between or among the Issuer and any Material Subsidiaries; or
  - (iv) disposals of assets or properties, which are obsolete, surplus, redundant or not necessary for the operation of the Issuer's or the relevant Material Subsidiary's business or are otherwise non-core assets; or
  - (v) disposals of any shares of Capital Stock in, or any assets or properties of, any or all of, KazMunayGas International N.V. and KazRosGas LLP; or
  - (vi) disposals of any assets or properties (including any present or future assets or revenues) of the Issuer or any Material Subsidiary, or any part thereof, which are the subject of any securitisation, any receivables, asset-backed financing or similar financing structure or any product delivery contracts, forward sale or prepayment agreements or other similar arrangements, whereby, in any such case, all payment obligations are to be discharged solely from such assets or revenues; or
  - (vii) disposals of assets or properties having an aggregate Net Book Value not exceeding 2 per cent. of the aggregate Net Book Value of the Group in any one calendar year.
- (b) For purposes of this Condition 5:

**"Fair Market Value"** means, with respect to any asset of the Issuer or a Material Subsidiary, the price which could be negotiated in an arm's-length, market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will be determined in good faith by the Board of Directors of the Issuer or the relevant Material Subsidiary, whose determination will be conclusive or, in the case of any disposal for a value exceeding U.S.\$200 million, by an Independent Appraiser;

**"Independent Appraiser"** means any of PricewaterhouseCoopers LLC, KPMG LLC, Deloitte & Touche LLP, Ernst & Young LLP or such reputable investment banking, accountancy or appraisal firm of international standing selected by the competent management body of the Issuer or relevant Material Subsidiary; provided it is not an Affiliate of the Issuer or any Material Subsidiary; and

**"Net Book Value"** means:

- (a) in relation to assets or properties that may be sold, leased, transferred or otherwise disposed of pursuant to this Condition 5, balance sheet value of the relevant asset or property, being its purchase price, after adding taxes and customs duties payable in connection with the acquisition and after excluding amortization, depreciation and impairment of the asset; and
- (b) in relation to the Group, means the amount determined by subtracting the total liabilities of the Issuer from the total assets of the Issuer, as reflected on the balance sheet of the Issuer's consolidated financial statements,

in each case calculated on a consistent basis as applied in the preparation of the Issuer's consolidated financial statements for the relevant year.

## 6. **Provision of Financial Information**

So long as any amount remains outstanding under the Notes:

- (a) the Issuer shall deliver to the Trustee as soon as they become available, but in any event within five months after the end of each of its financial years, copies of the Issuer's consolidated financial statements for such financial year, audited by an internationally recognised firm of accountants as may be nominated by the Issuer, prepared in accordance with IFRS consistently applied with the corresponding financial statements for the preceding period.

- (b) the Issuer shall as soon as the same become available, but in any event within 90 days following the end of each first half year of each of its financial years, deliver to the Trustee the Issuer's unaudited consolidated financial statements for such period.
- (c) the Issuer hereby undertakes that it will deliver to the Trustee, without undue delay, such additional information regarding the financial position or the business of the Issuer, any Material Subsidiary as the Trustee may reasonably request, including providing certification according to the Trust Deed.

## 7. **Limitations on Reorganisations**

So long as any amount remains outstanding under the Notes:

- (a) the Issuer will not, directly or indirectly, in a single transaction or a series of related transactions, enter into any reorganisation (whether by way of a merger, accession, division, separation or transformation, as these terms are construed by applicable legislation or otherwise), participate in any other type of corporate reconstruction, or sell, lease, transfer, convey or otherwise dispose of all or substantially all of the assets of the Issuer or the Issuer and the Material Subsidiaries (taken as a whole) (in each case, a “**Reorganisation**”) unless:
  - (i) either (X) the Issuer will be the surviving or continuing Person; or (Y) the surviving or continuing Person (if other than the Issuer) will assume the performance and observation of all of the obligations and conditions of these Conditions and the Trust Deed, as may be amended from time to time, to be performed by the Issuer; and
  - (ii) immediately prior to and immediately after giving effect to such transaction, no Event of Default shall have occurred and be continuing.
- (b) For purposes of the foregoing, the transfer (by lease, assignment, sale, conveyance or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties or assets of one or more Material Subsidiaries (on a consolidated basis taken as a whole), the Capital Stock of which constitute all or substantially all of the properties and assets of the Issuer (on a consolidated basis taken as a whole), will be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer.
- (c) For the avoidance of doubt, and subject to the provisions of Condition 10(c), any Material Subsidiary may consolidate with, merge with or otherwise enter into any transaction comprising a Reorganisation with the Issuer or another Subsidiary of the Issuer.

## 8. **No Change of Business**

So long as any amount remains outstanding under the Notes, the Issuer shall not, and shall ensure that no Material Subsidiary will engage in any business other than: (a) oil and gas exploration, production, transportation, refining and processing; (b) electricity generation; (c) chemicals; (d) any wholesale or retail marketing relating to any of the foregoing; or (e) any business reasonably related, ancillary or complementary thereto; provided, however, that nothing in this Condition 8 shall prevent any member of the Group from undertaking any activities or operations so long as such activities or operations do not cause a material change in the nature of the Group's overall business.

## 9. **Interest and other Calculations**

- (a) **Interest:** Each Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Rate(s) of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 9(b).

If a Fixed Coupon Amount or a Broken Amount is specified in the Pricing Supplement, the amount of interest payable per Calculation Amount on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the Pricing Supplement.

- (b) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 9 to the Relevant Date (as defined in Condition 12).
- (c) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Pricing Supplement and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable for such Interest Accrual Period, in which case the amount of interest payable in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (d) **Determination and Publication of Final Redemption Amounts and Optional Redemption Amounts:** On such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall calculate the Final Redemption Amount (if required) or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Final Redemption Amount (if required) or Optional Redemption Amount to be notified to the Trustee, the Issuer and, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than in all other cases, the fourth Business Day after such determination. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties and (in the absence of manifest error as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

#### 10. **Redemption, Purchase and Options**

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided in this Condition 10 or Condition 14, each Note shall be finally redeemed on the Maturity Date specified in the Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the Pricing Supplement, is its outstanding principal amount).
- (b) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified in the Pricing Supplement, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 and to the Trustee and the Agents (which notice shall be irrevocable) at their Final Redemption Amount (as described in Condition 10(a) above) (together with interest accrued to the date fixed for redemption), if, immediately before giving such notice, the Issuer satisfies the Trustee that (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 as a result of any change in, or amendment to, the laws or regulations of Kazakhstan or any political subdivision or any authority thereof having power to tax therein, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue of the first Tranche of the Notes and (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (1) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred

and (2) an opinion, in form and substance satisfactory to the Trustee, of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts and the Trustee shall be entitled, without being liable to Noteholders or any other person, to accept and rely upon such certificate and opinion (without further investigation or enquiry) as sufficient evidence of the satisfaction of the condition precedent set out in (b) above in which event they shall be conclusive and binding on Noteholders and the Trustee shall be protected and shall have no liability to any Noteholder or any person for so accepting and relying on such certificate or opinion.

- (c) **Redemption at the Option of Noteholders upon a Change of Control:** If at any time while any Note remains outstanding a Change of Control occurs, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer, redeem such Note on the Optional Redemption Date(s) at 100 per cent. of its principal amount together with (or, where purchased, together with an amount equal to) interest accrued to but excluding the Change of Control Put Date (as defined below).

Such option (the "**Change of Control Put Option**") shall operate as set out below.

If a Change of Control occurs then, within 30 days of the occurrence of the Change of Control, the Issuer shall, and upon the Trustee becoming so aware (the Issuer having failed to do so) the Trustee may, and, if so requested by the holders of at least one-fifth in principal amount of the Notes then outstanding (and subject to it being indemnified and/or secured and/or prefunded to its satisfaction), shall, give notice (a "**Change of Control Notice**") to the Noteholders in accordance with Condition 20 specifying the nature of the Change of Control and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, a holder of Notes must deliver at the specified office of any Paying Agent on any Business Day falling within the period commencing on the occurrence of a Change of Control and ending 90 days after such occurrence or, if later, 90 days after the date on which the Change of Control Notice is given to Noteholders as required by this Condition 10(c) (the "**Change of Control Put Period**"), a duly signed and completed notice of exercise in the form (for the time being current and which may, if the certificate for such Notes is held in a clearing system, be any form acceptable to the clearing system delivered in any manner acceptable to the clearing system) obtainable from any specified office of any Paying Agent (a "**Change of Control Put Option Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this paragraph accompanied by the certificate for such Notes or evidence satisfactory to the Paying Agent concerned that the certificate for such Notes will, following the delivery of the Change of Control Put Option Notice, be held to its order or under its control.

The Issuer shall at its option redeem or purchase (or procure the purchase of) the Notes the subject of each Change of Control Put Option Notice on the date (the "**Change of Control Put Date**") seven days after the expiration of the Change of Control Put Period unless previously redeemed or purchased and cancelled. A Change of Control Put Option Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Put Option Notice.

For the purposes of this Condition 10(c):

A "**Change of Control**" will be deemed to have occurred upon the occurrence of the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that the Republic of Kazakhstan and/or any other state agencies appropriately authorised to hold the shares of the Issuer (or any surviving entity of a Reorganisation permitted by Condition 7(a)) ceases to own (directly or indirectly) at least 50 per cent. plus one share of the issued and outstanding voting share capital of the Issuer (or any surviving entity of a Reorganisation permitted by Condition 7(a)).

"**Reorganisation**" has the meaning given in Condition 7(a).



- (d) **Redemption at the Option of the Issuer and Exercise of Issuer's Options:** If Call Option is specified in the Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders in accordance with Condition 20 and to the Trustee and the Agents (or such other notice period as may be specified in the Pricing Supplement) redeem, or exercise any option of the Issuer (as may be described in the Pricing Supplement) in relation to, all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall be given in accordance with Condition 20 and specify the principal amount of Notes drawn and the holder(s) of such Notes, to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Make Whole Redemption at the Option of the Issuer:** At any time prior to the Par Option Commencement Date, the Issuer may, at its option, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (the "**Call Option Notice**") in accordance with Condition 20 and to the Trustee and the Agents redeem the Notes in whole, but not in part, at the following price:

- (i) the aggregate principal amount of the outstanding Notes plus;
- (ii) interest and other amounts that may be due pursuant to these Conditions (if any) accrued but unpaid to, excluding, the Call Settlement Date (as defined below); plus
- (iii) the Make Whole Premium.

The Call Option Notice shall specify the date fixed for redemption (the "**Call Settlement Date**").

For the purposes of this Condition 10(e):

**"Comparable Government Bond"** means, in relation to any Comparable Government Bond Rate calculation, at the discretion of the Independent Investment Bank:

- (i) in the case of Notes denominated in Renminbi, a PRC Government Bond,
- (ii) in the case of Notes denominated in currencies other than Renminbi, a government security specified in the applicable Pricing Supplement,

whose maturity is closest to the maturity of the applicable Notes to be redeemed, or if such Independent Investment Bank in its discretion considers that such similar bond is not in issue, such other PRC Government Bond or government security (as the case may be) as such Independent Investment Bank may, with the advice of two brokers of, and/or market makers in, any PRC Government Bonds or other government securities (as the case may be) selected by such Independent Investment Bank, determine to be appropriate for determining the Comparable Government Bond Rate.

**"Comparable Government Bond Rate"** means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the applicable Notes to be redeemed, if they were to be purchased at such price on the fifth Business Day prior to the Call Settlement Date, would be equal to the gross redemption yield on such Business Day of the Comparable Government Bond on the basis of the middle market price

of the Comparable Government Bond prevailing at: (i) 11:00 a.m. (Hong Kong time) (in the case of Notes denominated in Renminbi); or (ii) the “Quotation Time” specified in the applicable Pricing Supplement (in the case of Notes denominated in currencies other than Renminbi), on such Business Day as determined by the Independent Investment Bank.

“**Independent Investment Bank**” means an investment bank of recognized standing that is a primary dealer in PRC Government Bonds (in the case of Notes denominated in Renminbi) or such other government securities specified in the applicable Pricing Supplement (in the case of Notes denominated in currencies other than Renminbi), appointed by the Issuer.

“**Make Whole Premium**” means, with respect to a Note any time and as determined by an Independent Investment Bank, the excess of (a) the present value of the Notes at the Call Settlement Date, being the outstanding aggregate principal amount of the Notes plus any required interest payments that would otherwise accrue and be payable on such Notes from and after the Call Settlement Date through to the Maturity Date (but excluding any interest accrued and unpaid to, but excluding the Call Settlement Date) calculated using the discount rate equal to the Comparable Government Bond Rate plus the applicable Redemption Margin, over (b) the outstanding aggregate principal amount of the Notes on and as at the Call Settlement Date, provided that if the value of the Make Whole Premium at any time would otherwise be less than zero, then in such circumstances, the value of the Make Whole Premium will be equal to zero. The Issuer shall notify the Noteholders in accordance with Condition 20 and the Trustee and the Agents of the Make Whole Premium not less than two Business Days prior to the Call Settlement Date.

“**PRC Government Bond**” means any bond issued, and payments in respect of which are settled, outside the PRC by the Central People’s Government of the PRC.

“**Redemption Margin**” means:

- (i) in the case of Notes denominated in Renminbi, 15 basis points,
  - (ii) in the case of Notes denominated in currencies other than Renminbi, a margin specified in basis points in the applicable Pricing Supplement.
- (f) **Optional Redemption at Par:** The Issuer may, at any time, on or after the date (the “**Par Option Commencement Date**”) that is (a) in relation to Notes issued with a maturity of at least ten years, six months prior to the Maturity Date of such Notes; and (b) in relation to Notes issued with a maturity of less than ten years, three months prior to the Maturity Date of such Notes, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (which notice shall specify the date fixed for redemption) ( the “**Par Optional Redemption Date**”) in accordance with Condition 20 and to the Trustee and Agents, redeem the Notes in whole or in part, at 100 per cent. of the principal amount thereof, together with accrued interest and unpaid and Additional Amounts (if any) to but excluding the Par Optional Redemption Date. In the case of a partial redemption, the Notes shall be selected for redemption either: (a) in accordance with the procedures of the relevant clearing systems; or (b) if the Notes are not held in a clearing system or if the relevant clearing system prescribe no method of selection, the Notes will be redeemed by drawing lots in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices; subject, in each case, to compliance with any applicable laws and stock exchange or other relevant regulatory requirements. Neither the Trustee nor the Agent shall have any liability for any selection made pursuant to this Condition 10(f).
- (g) **Redemption at the Option of Noteholders and Exercise of Noteholders’ Options:** If Put Option is specified in the Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified in the Pricing Supplement) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption.

To exercise such option or any other Noteholders' option that may be set out in the Pricing Supplement the holder must deposit the Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (h) **Redemption by the Issuer following a partial redemption of the Notes at the option of Noteholders:** If, on and as of any Optional Redemption Date, 66<sup>2/3</sup> per cent. or more (on a cumulative basis taking account of the principal amount of all Notes then redeemed or to be redeemed, whether on such Optional Redemption Date or any prior Optional Redemption Date) of the aggregate principal amount of the Notes originally issued shall have been redeemed in accordance with the provisions of Condition 10(c) or Condition 10(g), the Issuer may, at its sole discretion, within 90 days of such Optional Redemption Date, give not less than 15 or more than 30 days' notice to the Noteholders in accordance with Condition 20 (which notice shall be irrevocable) and to the Trustee and the Agents whereafter the Issuer shall redeem on the expiry date of such notice all (but not some only) of then-outstanding Notes at their principal amount together with interest accrued to, but excluding, the date of such redemption.
- (i) **Clean-up Call:** In the event that at least 80 per cent. of the aggregate principal amount of the Notes (which, for the avoidance of doubt, includes any additional Notes issued pursuant to Condition 19) have been redeemed or purchased (other than as a result of the Issuer having exercised a partial call of the Notes pursuant to this Condition 10 at a redemption price higher than as specified immediately below), the Issuer may, at any time prior to the Par Option Commencement Date, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders in accordance with Condition 20 and to the Trustee and the Agents, redeem all (but not less than all) of the Notes outstanding at a redemption price equal to 100 per cent. of the principal amount of such Notes outstanding together with interest accrued to, but excluding, the date of such redemption.
- (j) **Notice of redemption:** Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption, or have a duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto, and none of them shall be liable to Noteholders, the Issuer or any other person for not doing so.
- (k) **Purchases:** The Issuer and any of its subsidiaries may at any time purchase Notes in the open market or otherwise at any price.
- (l) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be held, resold or, at the option of the Issuer, surrendered for cancellation by surrendering the Notes to the Registrar and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Any Notes so purchased, whilst held by or on behalf of the Issuer or any of its subsidiaries, shall not entitle such holder to vote at any meetings of Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of Noteholders or for the purposes of Conditions 14 (*Events of Default*) or Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

## 11. Payments

- (a) **Payments of Principal and Interest:**
  - (i) Payments of principal in respect of Notes shall be made against presentation and surrender of the relevant Notes at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
  - (ii) Payments of interest shall be made on the due date to the person shown on the Register at the close of business on the fifteenth calendar day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Note shall be made: (A) in

the case of payments in Renminbi, by transfer to the registered account of the Noteholder. For these purposes, a Noteholder's "**registered account**" means, the Renminbi account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifteenth calendar day before the due date for payment; or (B) in the case of payments in currencies other than Renminbi, in the relevant currency by cheque drawn on a bank and mailed to the Noteholder at its address appearing in the Register. Upon application by the Noteholder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the Noteholder with a bank.

*Notwithstanding the foregoing, so long as the Notes are represented by a Global Note, each payment in respect of the Global Note will be made to the person shown as the holder of the Notes in the Register, in each case at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

*Payment of interest or principal by the CMU Lodging and Paying Agent to the person for whose account a relevant interest in the Global Note is credited as being held by the CMU at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report (as defined in the relevant CMU rules) or any other relevant notification by the CMU shall discharge the obligations of the Issuer in respect of that payment.*

- (b) **Appointment of Agents:** The Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer have their respective specified offices are listed below. The Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and, in certain circumstances, the Trustee and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of any Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU and (v) such other agents as may be required by any laws or other stock exchange on which the Notes may be listed in each case, as approved by the Trustee. Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 20.
- (c) **Non-Business Days:** If any date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation and:
  - (i) (in the case of a payment in Renminbi) which is a day on which commercial banks and foreign exchange markets in Hong Kong are open for the business of settlement of Renminbi payments;
  - (ii) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
  - (iii) (in the case of a payment in euro) which is a T2 Business Day.

## 12. **Taxation**

All payments by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without deduction or withholding for, any taxes, duties, assessments, or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Republic of Kazakhstan or, in either case, any political subdivision or any authority thereof or therein having the power to tax

(collectively “**Taxes**”) unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts to the holder of any Note as will result in receipt by the Noteholder of such amounts as would have been received by them had no such withholding or deduction on account of any such Taxes had been required, except that no additional amounts shall be payable with respect to any Note:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Note by reason of his having some connection with the Republic of Kazakhstan other than the mere holding of the Note or the receipt of payment thereunder; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Note representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day;
- (c) **Presentation in another jurisdiction:** presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union.

As used in these Conditions, “**Relevant Date**” in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Optional Redemption Amounts, and all other amounts in the nature of principal payable pursuant to Condition 10 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 9 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, assessment, charges, withholding or other payment referred to in this Condition 12 (*Taxation*) or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Holder or any third party to pay such tax, duty, assessment, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any amount under or in respect of any Notes without deduction or withholding for or on account of any tax, duty, assessment, charges, withholding or other payment imposed by or in any jurisdiction.

### 13. **Prescription**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

### 14. **Events of Default**

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, subject to it being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Final Redemption Amount together with accrued interest to the date of such notice:

- (a) **Non-payment:** the Issuer fails to pay the principal of any of the Notes when the same becomes due and payable either at maturity, by declaration or otherwise or the Issuer is in default with respect to the payment of interest or additional amounts on any of the Notes and such default continues for a period of at least seven days in the case of principal or at least fourteen days in the case of interest or additional amounts; or

- (b) **Breach of other obligations:** The Issuer is in default in the performance, or is otherwise in breach, of any covenant, obligation, undertaking or other agreement under Notes issued by it or the Trust Deed (other than a default or breach elsewhere specifically dealt with in this Condition 14) and such default or breach is not remedied within 30 days (or such longer period as the Trustee may in its sole discretion determine) after notice thereof has been given to the Issuer by the Trustee; or
- (c) **Cross-acceleration:** (i) any Indebtedness for Borrowed Money of the Issuer or any Material Subsidiary (a) becomes due and payable prior to the due date for payment thereof by reason of default by the Issuer or such Material Subsidiary or (b) is not repaid at maturity as extended by the period of grace, if any, applicable thereto or (ii) any Indebtedness Guarantee given by the Issuer or any Material Subsidiary in respect of Indebtedness for Borrowed Money of any other Person is not honoured when due and called, provided that the principal amount of such Indebtedness for Borrowed Money (whether individually or in the aggregate) exceeds U.S.\$250,000,000 (or its equivalent in other currencies); or
- (d) **Bankruptcy:** (i) any Person shall have instituted a proceeding or entered a decree or order for the appointment of a receiver, administrator or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, moratorium of payments or similar arrangements involving the Issuer or any Material Subsidiary or all or (in the opinion of the Trustee) substantially all of their respective properties and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 45 days; or (ii) the Issuer or any Material Subsidiary shall institute proceedings under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect to be adjudicated a bankrupt or shall consent to the filing of a bankruptcy, insolvency or similar proceeding against it or shall file a petition or answer or consent seeking reorganisation under any such law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver, administrator or liquidator or trustee or assignee in bankruptcy or liquidation of the Issuer or any Material Subsidiary, as the case may be, or in respect of its property, or shall make an assignment for the benefit of its creditors or shall otherwise be unable or admit its inability to pay its debts generally as they become due or the Issuer or any Material Subsidiary commences proceedings with a view to the general adjustment of its Indebtedness which event is, in the case of the Material Subsidiary, (in the sole opinion of the Trustee) materially prejudicial to the interests of the Noteholders; or
- (e) **Judgments:** The failure by the Issuer or any Material Subsidiary to pay any final judgment in excess of U.S.\$250,000,000 (or its equivalent in other currencies) which final judgment remains unpaid, and undischarged, and unwaived and unstayed for a period of more than 30 consecutive days after such judgment becomes final and non-appealable; or
- (f) **Material compliance with applicable laws:** The Issuer fails to comply in any respect with any applicable laws or regulations (including any foreign exchange rules or regulations) of any governmental or other regulatory authority for any purpose to enable the Issuer lawfully to exercise its rights or perform or comply with its obligations under the Notes or the Trust Deed or the Agency Agreement or to ensure that those obligations are legally binding and enforceable or to ensure that all necessary agreements or other documents are entered into and that all necessary consents and approvals of, and registrations and filings with, any such authority in connection therewith are obtained and maintained in full force and effect and the Trustee certifies that such non-compliance is, in the opinion (determined in its sole discretion) of the Trustee, materially prejudicial to the interests of Noteholders; or
- (g) **Invalidity or Unenforceability:** (i) the validity of Notes, the Trust Deed or the Agency Agreement is contested by the Issuer or the Issuer shall deny any of its obligations under the Notes, the Trust Deed or the Agency Agreement (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise) or (ii) it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes, the Trust Deed or the Agency Agreement or (iii) all or any of the Issuer's obligations set out in the Notes, the Trust Deed or the Agency Agreement shall be or become unenforceable or invalid and, following the occurrence of any of the events specified in this Condition 14(g), the Trustee is of the opinion (determined in its sole discretion) that such occurrence is materially prejudicial to the interests of the Noteholders; or

- (h) **Government Intervention:** (i) all or any substantial part of the undertaking, assets and revenues of the Issuer or any Material Subsidiary is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or (ii) the Issuer or any Material Subsidiary is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets, revenues and, following the occurrence of any of the events specified in this Condition 14(h), the Trustee is of the opinion (determined in its sole discretion) that such occurrence is materially prejudicial to the interests of the Noteholders.

15. **Meetings of Noteholders, Modification, Waiver and Substitution**

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders (including meetings held by way of video or audio conference call) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) upon the request in writing of Noteholders holding not less than 20 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more Voters holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more Voters being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest, (iv) to vary any method of, or basis for, calculating the Final Redemption or the Optional Redemption Amount, (v) to vary the currency or currencies of payment or denomination of the Notes, (vi) to take any steps that as specified in the Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or any resolution, in which case the necessary quorum shall be one or more Voters holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).
- (b) **Modification and Waiver:** The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Notes or the Trust Deed that is, in its opinion (determined in its sole discretion), of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of applicable law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Notes or the Trust Deed that is in the opinion of the Trustee (determined in its sole discretion) not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and shall, unless the Trustee agrees otherwise, be notified to the Noteholders as soon as practicable.
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of the Issuer's successor in business or any subsidiary of the Issuer or its successor in business in place of the Issuer, or of any previous substituted company, as principal debtor or guarantor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes and the Trust Deed provided that such change would not in the opinion of the Trustee (determined in its sole discretion) be materially prejudicial to the interests of the Noteholders.

- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

16. **Enforcement**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed or the Notes but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails or is unable to do so within 60 days and such failure or inability is continuing.

17. **Trustee and Agents**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce payment unless indemnified and/or secured and/or prefunded to its satisfaction and to be paid its costs and expenses in priority to the claims of Noteholders. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual holders of Notes as a result of such holders being connected in any way with a particular territory or tax jurisdiction and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequences of such exercise upon individual Noteholders.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer or any other person appointed by the Issuer in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Noteholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Noteholders. The Trustee shall be entitled to rely on any direction, request or resolution of Noteholders given by holders of the requisite nominal amount of Notes outstanding or passed at a meeting of Noteholders convened and held in accordance with the Trust Deed. Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Noteholders by way of an Extraordinary Resolution, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received. The Trustee and the Agents shall not be under any obligation to ascertain whether any Event of Default, Default or Potential Event of Default (as defined in the Trust Deed), as the case may be, has occurred or may occur or to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

The Trustee may rely, without liability to Noteholders, on a report, confirmation, opinion or certificate or any advice of any lawyers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely (without further investigation or enquiry) on any such report, confirmation, opinion or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.



Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

18. **Replacement of Notes**

If a Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes) and otherwise as the Issuer may require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

19. **Further Issues**

The Issuer may from time to time without the consent of the Noteholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with existing Notes or a separate Series. Any further securities forming a single Series with the outstanding securities of any Series shall, and any other securities forming a separate Series may (with the consent of the Trustee), be constituted by the Trust Deed or any deed supplemental to it. The Trust Deed contains provisions for convening a single meeting of the Noteholders of a Series and the holders of securities of other Series where the Trustee so decides.

20. **Notices**

Notices to the Noteholders shall be sent by first class mail of (if posted overseas) by airmail to them (or, in the case of joint holders, to the first-named in the Register) at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing, provided that, for so long as any Notes are listed on The Hong Kong Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and/or the Astana International Exchange, as the case may be, such notice may instead be published on the HKEXnews website established by the Hong Kong Stock Exchange, and on the website the Astana International Exchange, as the case may be, in each case in accordance with any rules from time to time of the Hong Kong Stock Exchange and/or the Astana International Exchange, as the case may be. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. To the extent required by Kazakhstan law, notices shall also be published in the mass media in the form specified in the charter of the Issuer.

*In respect of any Global Note held in its entirety on behalf of the CMU, any notice to the Noteholders shall be validly given by the delivery of the relevant notice to the CMU for communication by the CMU to each relevant accountholder in substitution for notification as required by the Conditions. Indirect participants will have to rely on the CMU participants to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants.*

21. **Contracts (Rights of Third Parties) Act 1999**

No Person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act and is without prejudice to the rights of the Noteholders under Condition 16.

22. **Governing Law, Jurisdiction and Arbitration**

- (a) **Governing law:** The Trust Deed and the Notes, including any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Notes, are governed by, and shall be construed in accordance with, English Law.
- (b) **Submission to Jurisdiction; Arbitration:** The Issuer has in the Trust Deed irrevocably (i) submitted to the jurisdiction of the courts of England for the purposes of hearing and determining any suit, action or proceedings or settling any disputes arising out of or in connection with the Trust Deed or the Notes; (ii) waived any objection which it might have to such courts being nominated as the forum to hear and determine any such suit, action or proceedings or to settle any such disputes and agreed not to claim that any such court is not a convenient or appropriate forum; (iii) designated Law Debenture Corporate Services Limited of Fifth Floor, 100 Wood Street, London EC2V 7EX to accept service of any process on its behalf in England; (iv) consented to the enforcement of any judgment; (v) to the extent that it may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction; and (vi) agreed that the Trustee may elect by written notice to the Issuer that any dispute (including a claim, dispute or difference regarding the existence, termination or validity of the Notes), shall be finally settled by arbitration in accordance with the Rules of the London Court of International Arbitration as at present in force and as modified by the Trust Deed. The seat of arbitration shall be London.
- (c) **Waiver of Immunity:** The Issuer irrevocably agrees that no immunity (to the extent that it may now or hereafter exist, whether on the grounds of sovereignty or otherwise) from any legal action or proceedings arising out of or in connection with any Notes and any non-contractual obligations arising out of or in connection with them (the “**Proceedings**”) or from execution of judgment shall be claimed by or on behalf of it or with respect to its assets, any such immunity being irrevocably waived by the Issuer, and the Issuer irrevocably consents generally in respect of any such Proceedings to the giving of any relief or the issue of any process in connection with any such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever of any order or judgment which may be made or given in such Proceedings.

23. **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Attributable Indebtedness**” in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Notes, compounded semi-annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended);

“**Business Day**” means:

- (i) in the case of a Renminbi, a day on which commercial banks and foreign exchange markets in Hong Kong are open for the business of settlement of Renminbi payments;
- (ii) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (iii) in the case of euro, a day on which the T2 is open for the settlement of payments in euro (a “**T2 Business Day**”).

“**Capital Stock**” of any Person means any and all shares, interests (including partnership interests), rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated)

equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity;

**“Capitalised Lease Obligations”** means an obligation that is required to be classified and accounted for as a capitalised lease for financial reporting purposes in accordance with IFRS, and the amount of Indebtedness represented by such obligation will be the capitalised amount of such obligation at the time any determination thereof is to be made as determined in accordance with IFRS, and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty;

**“Commodity Hedging Agreement”** means, in respect to any Person, any forward, futures, spot-deferred or option contract or other similar agreement or arrangement to which such Person is a party or a beneficiary entered into for protection against or to benefit from fluctuations in the price of any commodity produced or used by the Issuer or its Material Subsidiaries pursuant to its ordinary course business;

**“Currency Agreement”** means in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement as to which such Person is a party or a beneficiary;

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual - ISDA”** is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/360”** is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**“Y<sub>1</sub>”** is the year, expressed as a number, in which the first day of the Interest Period falls;

**“Y<sub>2</sub>”** is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

**“M<sub>1</sub>”** is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

**“M<sub>2</sub>”** is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

**“D<sub>1</sub>”** is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

**“D<sub>2</sub>”** is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case  $D_1$  will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case  $D_2$  will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case  $D_1$  will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case  $D_2$  will be 30;

- (vii) if “**Actual/Actual (ICMA)**” is specified in the applicable Pricing Supplement:

- (1) in the case of Notes where the number of days in the relevant period during the Interest Accrual Period is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of

Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

- (2) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; and
  - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

**“Determination Period”** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

**“Disqualified Stock”** means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

- (i) matures or is mandatorily redeemable (other than redeemable only for Capital Stock of such Person which is not itself Disqualified Stock) pursuant to a sinking fund obligation or otherwise;
- (ii) is convertible or exchangeable at the option of the holder for Indebtedness or Disqualified Stock; or
- (iii) is mandatorily redeemable or must be purchased upon the occurrence of certain events or otherwise, in whole or in part;

**“euro”** means the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on the European Union and the Treaty of Amsterdam;

**“Event of Default”** has the meaning assigned to such term in Condition 14 hereof;

**“Extraordinary Resolution”** has the meaning assigned to such term in the Trust Deed;

**“Pricing Supplement”** means, in relation to a Tranche, the Pricing Supplement issued specifying the relevant details of such Tranche;

**“Global Note”** has the meaning assigned to such term in the Trust Deed;

**“Group”** means the Issuer and its Subsidiaries taken as a whole;

**“guarantee”** means any financial obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

- (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue of partnership arrangements, or by agreements to keep well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise); or

- (ii) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part),

provided, however, that the term “guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “guarantee” used as a verb has a corresponding meaning. The term “guarantor” shall mean any Person guaranteeing any obligation;

**“Hedging Obligations”** of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Hedging Agreement;

**“IFRS”** means International Financial Reporting Standards (formerly International Accounting Standards) issued by the International Accounting Standards Board (**“IASB”**) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time), as consistently applied, and any variation to such accounting principles and practices which is not material;

**“Incur”** means issue, assume, guarantee, incur or otherwise become liable for; provided, however, that any Indebtedness of a Person existing at the time such Person becomes a Material Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Material Subsidiary. The term **“Incurrence”** when used as a noun shall have a correlative meaning.

**“Indebtedness”** means, with respect to any Person on any date of determination (without duplication):

- (i) the principal of and premium (if any) in respect of indebtedness of such Person for borrowed money;
- (ii) the principal of and premium (if any) in respect of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (iii) the principal component of all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments (including reimbursement obligations with respect thereto except to the extent such reimbursement obligation relates to a trade payable and such obligation is satisfied within 30 days of Incurrence);
- (iv) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables), which purchase price is due more than six months after the date of placing such property in service or taking delivery and title thereto;
- (v) Capitalised Lease Obligations and all Attributable Indebtedness of such Person;
- (vi) the principal component or liquidation preference of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Subsidiary, any Preferred Stock (but excluding, in each case, any accrued dividends);
- (vii) the principal component of all Indebtedness of other Persons secured by a Security Interest on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided, however, that the amount of such Indebtedness will be the lesser of (a) the fair market value of such asset at such date of determination and (b) the amount of such Indebtedness of such other Persons;
- (viii) the principal component of Indebtedness of other Persons to the extent guaranteed by such Person; and
- (ix) to the extent not otherwise included in this definition, net obligations of such Person under Hedging Obligations (the amount of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time).

The amount of Indebtedness of any Person at any date will be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date;

**“Indebtedness for Borrowed Money”** means any Indebtedness of any Person for or in respect of (i) moneys borrowed, (ii) amounts raised by acceptance under any acceptance credit facility, (iii) amounts raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments, (iv) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with generally accepted accounting standards in the jurisdiction of incorporation of the lessee, be treated as finance or capital leases, (v) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred primarily as a means of raising finance or financing the acquisition of the relevant asset or service and (vi) amounts raised under any other transaction (including any forward sale or purchase agreement and the sale of receivables or other assets on a “with recourse” basis) having the commercial effect of a borrowing;

**“Indebtedness Guarantee”** means in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation) (i) any obligation to purchase such Indebtedness, (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness, (iii) any indemnity against the consequences of a default in the payment of such Indebtedness and (iv) any other agreement to be responsible for repayment of such Indebtedness;

**“Interest Accrual Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified in the Pricing Supplement;

**“Interest Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified in the Pricing Supplement;

**“Interest Rate Agreement”** means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement as to which such Person is party or a beneficiary;

**“Material Subsidiary”** means any Subsidiary of the Issuer that has either: (i) gross assets which constitute 10 per cent. or greater of the Issuer’s consolidated gross assets, as set forth in the Issuer’s most recent audited consolidated financial statements prepared in accordance with IFRS and delivered pursuant to Condition 6; or (ii) gross revenues which constitute 10 per cent. or greater of the Issuer’s consolidated gross revenues, as set forth in the Issuer’s most recent audited consolidated financial statements prepared in accordance with IFRS and delivered pursuant to Condition 6;

**“Offering Memorandum”** means the offering memorandum relating to the Programme;

**“Person”** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity;

**“PRC”** means the People’s Republic of China, for the purposes of this definition, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;

**“Preferred Stock”** as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person;

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the Pricing Supplement;

**“Renminbi”** and **“CNY”** denote the lawful currency of the PRC;

**“Sale/Leaseback Transaction”** means an arrangement relating to property now owned or hereafter acquired whereby the Issuer or a Material Subsidiary transfers such property to a Person and the Issuer or a Material Subsidiary leases it from such Person;

**“Specified Currency”** means the currency specified as such in the Pricing Supplement or, if none is specified, the currency in which the Notes are denominated;

**“Stated Maturity”** means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof;

**“Subsidiary”** means in respect of any Person (including the Issuer), any corporation, partnership, joint venture, association or other business entity, whether now existing or hereafter organised or acquired, (a) in the case of a corporation, of which more than 50 per cent. of the total voting power of the Voting Stock is held by the Issuer and/or any of its Subsidiaries and the Issuer and/or any of its Subsidiaries has the power to direct the management, policies and affairs thereof; or (b) in the case of a partnership, joint venture, association, or other business/entity, with respect to which the Issuer or any of its Subsidiaries has the power to direct or cause the direction of the management and policies of such entity by contract, if (in the case of each of (a) or (b) above) in accordance with IFRS such entity would be consolidated with the Issuer for financial statement purposes;

**“T2”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer or any successor thereto or replacement thereof;

**“taxes”** means any taxes (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) which are now or hereafter imposed, levied, collected, withheld or assessed by the Netherlands or any taxing authority thereof or therein;

**“U.S. Dollars”**, **“USD”** and **“U.S.\$”** denote the lawful currency of the United States of America; and

**“Voting Stock”** of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors, managers or trustees (or Persons performing similar functions) thereof.



## FORM OF PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.*

**[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** - Solely for the purposes of each manufacturer's product approval process, the targeted market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.]<sup>1</sup>

**[UK MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014, as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.]

**PROHIBITION OF SALES TO AIFC RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the AIFC. For these purposes, a retail investor has the meaning defined in AIFC Market Rules 1.1.2(6)(b).

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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<sup>1</sup> Legend to be included following completion of the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 2 June 2017.

**Pricing Supplement dated [•]**

**JOINT STOCK COMPANY "NATIONAL COMPANY" "KAZMUNAYGAS"**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

**CNY10,000,000,000 Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Memorandum dated 20 October 2025 [and the supplemental Offering Memorandum dated [•]] which [together] constitute[s] a Offering Memorandum (the “**Offering Memorandum**”). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Offering Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and the Offering Memorandum [as so supplemented]. [The Offering Memorandum has been published on the HKExnews website established by the Hong Kong Stock Exchange (as defined below) and the AIX (as defined below) website, copies are available for viewing during normal business hours at [address] and copies may be obtained from [address].]

[This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”)) (“Professional Investors”) only. **Notice to Hong Kong investors:** The Issuer confirms that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Group or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

This Pricing Supplement includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.][*Legends for issuance of Notes which are to be listed on the Hong Kong Stock Exchange.*]

**The Astana International Exchange Ltd (the “AIX”) and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this Pricing Supplement, including the accuracy or completeness of any information or statements included in it. Liability for the Pricing Supplement lies with the Issuer and other persons whose opinions are included in this Pricing Supplement with their consent. Nor has the AIX, its directors, officers or employees assessed the suitability of the Notes to which this Pricing Supplement relates for any particular investor or type of investor. If you do not understand the contents of this Pricing Supplement or are unsure whether the Notes are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.] [*Legends for issuance of Notes which are to be listed on the AIX.*]** [*Legends for issuance of Notes which are to be listed on the AIX.*]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the subparagraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Pricing Supplement.]*

- If an issue of Notes is to be listed on the Hong Kong Stock Exchange as debt securities offered to professional investors under Chapter 37 of the Main Board Listing Rules, the minimum denomination of HK\$500,000 (or its equivalent in other currencies) is required.*

If an issue of Notes is to be (i) admitted to trading on a regulated market situated or operating in the EEA or in the UK; and/or (ii) offered to the public in the EEA or in the UK for the purposes of Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”) or the UK Prospectus Regulation (as applicable), the minimum denomination of €100,000 (or its equivalent in other currencies) is required.

*Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000, as amended (the “FSMA”) the minimum denomination of £100,000 (or its equivalent in other currencies) is required.*

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7. (i) Issue Date: [•]
- (ii) Interest Commencement Date [Issue Date/[•]]
8. Maturity Date: [[•]/Interest Payment Date falling in or nearest to [specify month]][*Note that for Renminbi denominated Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here.*]

#### **PROVISIONS RELATING TO INTEREST PAYABLE**

9. Rate[(s)] of Interest: [•]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with Business Day Convention/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [Actual/365] / [Actual/Actual (ISDA)] / [Actual / 365 (Fixed)] / [Actual / 360] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis]
- (vi) Determination Dates: [[•] in each year/Not Applicable]

#### **PROVISIONS RELATING TO REDEMPTION**

10. **Call Option** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [•] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [•] per Calculation Amount
- (b) Maximum Redemption Amount: [•] per Calculation Amount
- (iv) Make Whole Premium Provisions (Applicable to Notes Not Denominated in Renminbi) [Applicable/Not Applicable]
- (Not applicable if the Notes are denominated in Renminbi. If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) Comparable Government Bond: [•]
- (b) Quotation Time: [•]
- (c) Redemption Margin: [•]
11. **Put Option** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [•] per Calculation Amount
12. **Par Option Commencement Date** [•]
13. **Final Redemption Amount of each Note** [•] per Calculation Amount
14. **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: [•] per Calculation Amount / [Redemption at Par]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

15. **Form of Notes:** [Registered Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Registered Global Note]
16. **Financial Centre(s):** [Not Applicable/[•]]

#### THIRD PARTY INFORMATION

[(*Relevant third party information*) has been extracted from [Not Applicable/[•]]. [The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [Not Applicable/[•]], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

#### PART B – OTHER INFORMATION

1. **LISTING**

- (i) Listing: [Hong Kong Stock Exchange and/or AIX]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the permission to deal in the Notes on the Hong Kong Stock Exchange with effect from [•].]
- [Application has also been made by the Issuer (or on its behalf) for the Notes to be admitted to the “exempt bonds” admission type of the official list of the AIX with effect from [•].]
- (iii) [Estimate of total expenses related to admission to trading:] [•]

2. **RATINGS**

- Ratings: [[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]:
- [S & P: [•]]
- [Moody’s: [•]]
- [Fitch: [•]]
- [Other: [•]]
- [Not Applicable]

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (*Amend as appropriate if there are other interests*)]

4. **[YIELD]**

- Indication of yield: [•]
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.  
]

5. **DISTRIBUTION [*Banks to review and confirm*]**

- |        |                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                              |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | If syndicated, names [and addressees] of Managers [and underwriting commitments]:                                                       | [Not Applicable/give names [and addresses and underwriting commitments]] (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.) |
| (ii)   | Date of Subscription Agreement:                                                                                                         | [•]/[Not Applicable]                                                                                                                                                                                                                                                                                                                                         |
| (iii)  | Stabilising Manager                                                                                                                     | [•]/[Not Applicable]                                                                                                                                                                                                                                                                                                                                         |
| (iv)   | If non-syndicated, name of relevant Dealer:                                                                                             | [•]                                                                                                                                                                                                                                                                                                                                                          |
| (v)    | U.S. Selling Restrictions:                                                                                                              | [Reg. S Category 1/2]                                                                                                                                                                                                                                                                                                                                        |
| (vi)   | Additional selling restrictions:                                                                                                        | [Not Applicable/give details]                                                                                                                                                                                                                                                                                                                                |
| (vii)  | [Hong Kong SFC Code of Conduct:]                                                                                                        | [•]                                                                                                                                                                                                                                                                                                                                                          |
| (viii) | Rebates                                                                                                                                 | [Insert wording on rebates] / [Not Applicable]                                                                                                                                                                                                                                                                                                               |
| (ix)   | Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: | [Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide] / [Not Applicable]                                                                                                                                                                                          |

6. **OPERATIONAL INFORMATION**

- |                                                                                                                                           |                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| ISIN:                                                                                                                                     | [•]                                         |
| Common Code:                                                                                                                              | [•]                                         |
| CMU Instrument No:                                                                                                                        | [•]                                         |
| Any clearing system(s) other than [CMU] / [Euroclear Bank SA/NV and Clearstream Banking, S.A.] and the relevant identification number(s): | [Not Applicable/give name(s) and number(s)] |
| Delivery:                                                                                                                                 | Delivery [against/free of] payment          |
| Names and addresses of additional Paying Agent(s) (if any):                                                                               | [•]                                         |

## REGULATION IN KAZAKHSTAN

### Regulation of Mineral Rights in Kazakhstan

#### *General*

In Kazakhstan, the subsoil and minerals contained therein are owned by the people of Kazakhstan, in accordance with the Constitution of Kazakhstan and the Subsoil Code, which came into effect from 29 June 2018, as amended. The Government ensures access to the subsoil on the terms, conditions and within the limits as provided for by the Subsoil Code. Unless otherwise stipulated by Kazakhstan law and subsoil use contracts, mineral raw materials shall be owned by the subsoil user under a right of ownership. The Government develops Kazakhstan's subsoil use policy and appoints a Competent Authority (as defined below) responsible for implementation of the subsoil use policy. The Competent Authority acts on behalf of the Republic, including in subsoil use contracts, and grants exploration and production rights.

Prior to June 2018, subsoil use rights for hydrocarbons used to be granted on the basis of tenders or, in certain cases, through direct negotiations. Currently, subsoil use rights for hydrocarbons are granted on the basis of auctions or, in the case of the Issuer, by auction or through direct negotiations. Oil and gas exploration and production rights are then secured by executing a contract with the Competent Authority (currently, the Ministry of Energy). Subsoil use rights are granted for a determinable period but may be extended before the expiration of the relevant contract subject to certain limitations and conditions.

Subsoil use rights may be terminated by the Competent Authority on the grounds provided for in the Subsoil Code, which include amongst other things, fulfilment by a subsoil user of less than 30 per cent. of its financial obligations stipulated by a contract during a reporting period, conduct of subsurface use operations on the basis of project documents which have not been properly approved, failure to eliminate more than two violations of other obligations stipulated by a subsoil use contract within the prescribed time. Subsoil use contracts may also provide other grounds for termination thereof.

#### *Regulation of Subsoil Use Rights under the Subsoil Code*

The Subsoil Code, which entered into force on 29 June 2018 and replaced the Subsoil Law, introduced a new regulatory regime for subsoil use in Kazakhstan. The Subsoil Law ceased to have effect, save for a number of surviving provisions which shall continue to apply to contracts executed prior to entry into force of the Subsoil Code.

A number of key provisions of the Subsoil Code, concerning oil and gas contracts are summarised below.

#### *Regime for granting subsoil use rights*

The regime for granting subsoil use rights in respect of hydrocarbon projects under the Subsoil Code is as follows:

##### ***(A) Exploration and Production Contracts:***

- Subsoil site which is not categorized as a complex hydrocarbon exploration project: exploration period under the contracts for the exploration and production of hydrocarbons may not exceed six consecutive years. The Subsoil Code provides for various instances when this term can be extended. These limits are subject to a general right of extension as provided by the Subsoil Code for the purposes of appraisal of a commercial discovery and/or production test at the request of the subsoil user subject to fulfilment of certain conditions, but the term cannot exceed twelve years.
- Subsoil site which is categorized as a complex hydrocarbon exploration project: exploration period under the contracts for the exploration and production of hydrocarbons in relation to such projects is eighteen years which include nine years of initial state of exploration, six years of evaluation and three years of production testing. Transition to the evaluation and then to production is implemented by application from the subsoil user. If during the term of exploration of the subsoil site, which was not initially categorized as a complex hydrocarbon exploration project, the drilling confirms there is at least one criterion to attribute such subsoil site to the category of complex projects, then, at the application of the subsoil user, the term of exploration



of such site shall be determined as provided for complex project sites less factual term of exploration. .

**(B) Production Contracts:**

- Subsoil site which is not categorized as a complex hydrocarbon exploration project: maximum production term is up to 25 years, and up to 45 years for large fields. The production period may be extended for up to 25 years.
- Subsoil site which is categorized as a complex hydrocarbon exploration project: maximum production term is up to 45 years for large fields, and up to 25 years for other fields. The production period may be extended for up to 25 years.

The Subsoil Code does not provide for the entry into exploration contracts which do not provide for a production component.

*Previously Issued Licences and Awarded Contracts*

Under the Subsoil Code, all previously issued licences, and awarded contracts will remain in full force and effect. The Subsoil Code also granted subsoil users (including those operating in the upstream oil and gas industry) the right to amend and restate (within specified time limits in case of exploration contracts) their previously-awarded contracts to conform to the Subsoil Code and a standard subsoil use contract which was approved within the framework of the Subsoil Code.

The Subsoil Code lists provisions, which must apply to previously issued licences and awarded contracts, whilst a few provisions of the 2010 Subsoil Law, including the stability clause, will remain in effect.

*Priority Right to Acquire Minerals*

The state enjoys a priority right over other parties to acquire minerals produced by a subsoil user. The state has the priority right to acquire hydrocarbons from the subsurface user at prices not exceeding the prices used by the subsurface user for other transactions at that time less transportation and marketing costs. In case such information is not available, prices not exceeding world market prices as of the date of the transaction less transportation and marketing costs shall be applied. The maximum amount of acquired hydrocarbons and the manner of payment are to be agreed upon in the subsurface use contracts. The state's priority right is exercised by the Competent Authority in accordance with the rules approved by the Governmental Resolution No. 388 dated 28 June 2018. Under these rules the Competent Authority notifies the subsoil user in writing of its intent to acquire hydrocarbons at least fifteen days prior to the proposed date of acquisition, then the Competent Authority and the subsoil user agree on the price, terms of supply and payment procedure and enter into hydrocarbons' sale and purchase agreement. The Competent Authority shall pay for the purchased hydrocarbons within thirty calendar days after the respective hydrocarbons have been supplied by the subsoil user.

*Rights to Requisition Minerals*

The Subsoil Code no longer provides for the Government's right to requisition the minerals owned by a subsoil user. Pursuant to the Law No. 413-IV dated 1 March 2011 "On State Property", as amended, (the "**State Property Law**") the state is entitled to requisition any person or legal entity's property (including produced hydrocarbons) in the public interest in the event of martial law or a state of emergency, subject to compensation being paid to the owner of such requisitioned property.

*The State's Pre-Emptive Right and Strategic Deposits*

Similarly to subsurface use legislation previously in effect, the Subsoil Code grants the Republic of Kazakhstan the pre-emptive right, with certain exceptions, over any persons and organisations, including individuals and organisations that have pre-emptive rights based on Kazakhstan laws or a contract, to acquire: (a) an alienated subsoil use right (or a share in the subsoil use right being transferred) and (or) objects, related to subsoil use right, over the strategic deposits of subsoil resources; as well as (b) shares and other securities issued at an organised securities market, which shares and securities are considered '*objects related to subsoil use right*' in respect of a strategic deposit (which are on the List of Strategic Deposits).

In respect of oil and gas deposits, the criteria for designating deposits as strategically important are as follows:

- the deposit must contain in excess of 50 million tonnes of geological reserves of oil or in excess of 15 bcm of natural gas; or
- the deposit is located in the Kazakhstan sector of the Caspian Sea.

The Government approved a new list of deposits of strategic importance in June 2018 (“**List of Strategic Deposits**”).

Under the Subsoil Code, the state’s pre-emptive right is exercised pursuant to a decision of the Competent Authority through the Issuer, as a national company, or a national management holding company acting in the interest of the Republic of Kazakhstan and in accordance with Kazakhstan law.

#### *The Consent for Transfers of Subsoil Use Rights and the Objects*

The subsoil use right (or part thereof) and the “*objects related to the subsoil use right*” may be transferred, provided that the consent of the Competent Authority has been obtained (subject to certain exemptions set out in the Subsoil Code). The Competent Authority’s consent is issued for one year. Any transactions or other related actions effected without such Competent Authority’s consent or after the expiry date of the Competent Authority’s consent shall be deemed invalid as of the date of their conclusion or undertaking.

Any offering of shares, or securities confirming title to shares, or any other securities convertible into shares of a subsoil user or its Controlling Legal Entity (as defined below) on an organised securities market also requires the consent of the Competent Authority. If the transfer has not occurred within the said one-year period, a new consent needs to be obtained from the Competent Authority.

Under the Subsoil Code, in respect of hydrocarbons, objects related to subsoil use (the “**Objects**”) mean participation interests, participation units, shares and other forms of equity participation, as well as securities confirming the ownership right or convertible into such items, in:

- (a) a subsoil user under subsoil use contract; and/or
- (b) a legal entity or another organisation, which may directly or indirectly determine decisions adopted by a subsoil user (the “**Controlling Legal Entity**”).

Shares or other securities convertible into shares issued by a subsoil user or the Controlling Legal Entity cease being the Objects once placed at an organised securities market and the transactions with them are not subject to the Competent Authority’s consent (and the state’s pre-emptive right does not extend to such shares or securities in circulation). A person which acquired the Objects or which put shares and/or securities, which are considered to be the Objects, into circulation must notify the Competent Authority of the completion of the transaction/putting shares into circulation within one month following the completion. In addition, a subsoil user must notify the Competent Authority of a change of control (direct or indirect) over the subsoil user (if any) within thirty calendar days following the date of such change.

The transfer of the subsoil use right (or part thereof) and/or an Object in some cases enjoys an exemption from the requirement to obtain consent of the Competent Authority, *e.g.*, if a national company, such as the Issuer, is a party to the transaction pertaining such transfer. In such instances, a waiver of the state’s pre-emptive right (for strategic deposits which are on the List of Strategic Deposits) is also not required.

#### *National Subsoil Resources Management Programme*

The Subsoil Code provides that the Competent Authority is responsible for developing and approving a “National Subsoil Resources Management Programme”, which identifies, *inter alia*, subsoil blocks to be provided for exploration and production of hydrocarbons through auctions, for exploration and production of hydrocarbons as complex projects, and might identify subsoil blocks to be provided to the national oil and gas company (*i.e.*, the Issuer) only (through direct negotiations). Subsoil users, other than the Issuer, may only obtain subsoil use rights with respect to blocks identified in the Programme through an auction (unless such subsoil user qualifies as a strategic partner and forms a joint venture with the Issuer for joint exploration and production).

In an auction process, the majority of the key terms and conditions of the subsoil use will be determined unilaterally by the Competent Authority and will be set out in the auction notification. Such conditions will subsequently form the binding terms and conditions of the proposed subsoil contract. The notification will include, *inter alia*, details of the subsoil site, types of subsoil use operations, minimum requirements in relation to volumes and types of works on subsoil site during exploration period, minimum local content requirements, social costs and expenses, costs of local personnel education and the period of exploration. Potential bidders compete by offering subscription bonuses, with the highest bid winning the auction.

Direct negotiations are available only to the Issuer (as the national oil and gas company) with respect to the blocks specifically reserved for it by the National Subsoil Resources Management Programme. The Issuer is also free to co-operate with strategic partners for joint exploration and production (and may still benefit from direct negotiations with respect to such blocks rather than having to participate in an auction). The criteria of a strategic partner are to be developed by the Issuer and shall be approved by the Competent Authority. The Issuer may also transfer its share in any subsoil use contract to a subsidiary in which it has at least a 50 per cent. interest.

The Issuer (as national oil and gas company) may also obtain a contract by way of direct negotiations with respect to blocks, which are not reserved for it by the National Subsoil Resources Management Programme, provided that no potential bidder has approached the Competent Authority with respect to such block. If the Issuer participates in an auction for a specific block, it is not entitled to any preferential treatment.

#### *Type of Contracts*

Exploration contracts with no production component are no longer permitted and only joint exploration and production contracts or production only contracts may be granted under the Subsoil Code.

#### *Social Obligations*

Starting from the second year of the production phase of the relevant contract subsoil users are obliged on a yearly basis to finance the training of Kazakhstani personnel and research projects at a rate of one per cent. of the production costs incurred by the subsoil user in a previous year. Within the same timeframe, the subsoil user also has to finance social and economic development of the region and development of the region's infrastructure in the amount equivalent to one per cent of the production costs incurred by the subsoil user in a previous year.

Contracts for subsoil use are required to identify the subsoil user's obligation to ensure equal conditions and fair pay for Kazakhstan personnel in comparison to foreign personnel, including personnel employed at the subcontractor level. A subsoil user is also obligated to give priority to hire Kazakhstan nationals to work and be trained.

In addition, subsoil use contracts may contain other social commitments and contributions to be undertaken by subsoil users, including those related to infrastructure and social development of the respective regions, as well as commitments related to the required establishment of sanitary protection zones.

#### *Grant of Pledge over the Subsoil Use Rights and the Objects*

Under the Subsoil Code, no consent of the Competent Authority for a pledge over the subsoil use right (part thereof) is required. However, for its effectiveness, such pledge is subject to registration with the Competent Authority. The pledge registration is conducted in accordance with the Law of the Republic of Kazakhstan No. 254-І dated 30 June 1998 "On Registration of Pledge of Movable Property". Pledge enforcement is carried out in accordance with the procedures set out in the civil legislation of the Republic of Kazakhstan and the Subsoil Code, including, *inter alia*, a requirement to obtain the Competent Authority's consent for such enforcement.

The Subsoil Code also kept the restriction on the use of credit facilities secured by a pledge of subsoil use rights in respect of hydrocarbons to be applied only for the purposes of subsoil use provided under the respective subsoil use contract or for further processing by the subsoil user itself or its wholly owned subsidiary.

#### *Termination of Subsoil Use Contract*

The Subsoil Code contains provisions in relation to early termination of subsoil use contract on such grounds as, *inter alia*, failure to discover a field upon completion of exploration under complex project for exploration and

development of hydrocarbons, return by the subsoil user of a subsoil site before expiration of the term of the contract, early unilateral termination by the Competent Authority.

The Competent Authority shall unilaterally terminate a contract if, *inter alia*, a court decision prohibiting subsoil use activities entered into force or the subsoil use operations are conducted without appropriate project documentation expert appraisal. The Competent Authority also may unilaterally terminate a contract in case of, *inter alia*, fulfilment by a subsoil user of less than 30 per cent. of its financial obligations stipulated by a contract during a reporting period, conduct of subsurface use operations on the basis of project documents which have not been properly approved, failure to eliminate more than two violations of other obligations stipulated by a subsoil use contract within the prescribed time.

### **Offshore and Certain Exploration Operations**

The Subsoil Code provides that the Issuer must be given at least a 50 per cent. interest in offshore subsoil use contracts, which is a mandatory condition for the granting of subsoil use right to conduct off-shore petroleum operations. At a later stage, the Issuer may reduce its interest in the offshore subsoil use contracts, provided that it retains control over the subsoil users under the contract.

Subsoil use rights for certain areas may be provided to the Issuer on the basis of direct negotiations. Such rights may be granted to the Issuer or jointly with a strategic partner. A strategic partner is a company (or consortium of companies) which meets the requirements, established by the Issuer and coordinated with the Competent Authority, and which has undertaken to carry out “investment financing”.

The Code specifies that “investment financing” means financing of the exploration costs under an agreement on joint activities (such as a joint operating agreement) or an agreement on financing (such as a carry arrangement) concluded between a strategic partner and the Issuer or a company where the Issuer directly or indirectly owns 50 per cent. or more of its shares/interests. The agreement on joint activities must stipulate the obligation of the strategic partner to pay the signature bonus or compensate the amount of the signature bonus to the Issuer if the latter has paid it.

In general, the Issuer’s offshore subsoil use operations are subject to specific, more strict regulation, as provided by the Subsoil Code, the Environmental Code, and the Water Code No178-VIII dated 9 April 2025 (the “**Water Code**”). Pursuant to such laws and regulations, a number of specific approvals, consents and permits of the competent government authorities are required for, amongst other things, construction, dredging and blasting operations, extraction of minerals and other resources, laying of cables, pipelines and other communications, drilling and other work, as well as for construction of artificial islands, dams and structures. Although the Subsoil Code requires special resources in case of oil spills, the requirement for a subsoil user to have its own resources is eliminated and the subsoil user shall employ a third-party by way of concluding agreements with a specialised organisation for the liquidation of oil spills at sea. The Subsoil Code prohibits the construction and operation of oil reservoirs and storages offshore. Offshore subsoil operations must be conducted in a way not to interfere and not cause harm to sea drylands, fishing and other activities. A subsoil user conducting operations offshore must develop specific programmes for the prevention of marine pollution and include such programmes into the project documentation.

Under Kazakhstan law, the Government shall make a general decision as to the possibility to conduct petroleum operations at sea.

Petroleum operations in the Kazakhstan sector of the Caspian Sea may be limited to an approved depth. Furthermore, pursuant to the Law of Kazakhstan No. 175-III, dated 7 July 2006 “On Specially Protected Natural Territories”, the water area on the east of the northern part of the Caspian Sea, with the deltas of the Volga and the Ural rivers (within the territory of Kazakhstan), is a part of the state-protected area, established, amongst other things, to conserve fish stocks and provide for natural reproduction of sturgeon and other valuable species. Within the established state-protected area, subsoil use operations are subject to additional environmental requirements established by the Environmental Code and may be limited or prohibited.

### **Dispute Resolution**

Under the Subsoil Code, disputes arising in connection with the exercise, change, or termination of the subsoil use right are subject to settlement pursuant to Kazakhstan law and international treaties ratified by Kazakhstan.

Disputes arising under contract for exploration and production or production of hydrocarbons within complex projects in accordance with its terms at the choice of the subsoil user shall be subject to resolution in the courts of the Republic of Kazakhstan or in arbitration in accordance with the arbitration regulations of the United Nations Commission on International Trade Law (UNCITRAL) within the territory of the Republic of Kazakhstan, including the AIFC, or outside the territory of the Republic of Kazakhstan.

### **Social Contributions and Commitments**

Contracts for subsoil use are required to identify the subsoil user's obligation to ensure equal conditions and fair pay for Kazakhstan personnel in comparison to foreign personnel, including personnel employed at the subcontractor level. A subsoil user is also obligated to give priority to hire Kazakhstan nationals to work and be trained.

In addition, Subsoil Use Agreements may contain other social commitments and contributions to be undertaken by subsoil users, including those related to infrastructure and social development of the respective regions, as well as commitments related to the required establishment of sanitary protection zones.

### **Regulation of Production Sharing Rights Related to Offshore Oil Operations**

#### ***The Law on Production Sharing Agreements***

The Law N° 68-III dated 8 July 2005 “On Production Sharing Agreements for Conducting Offshore Petroleum Operations” (the “**PSA Law**”), which, together with other subsoil legislation, was the applicable law for PSAs in Kazakhstan, was abolished by the introduction of the Tax Code on 10 December 2008 and ceased to have effect from 1 January 2009. There were no legislative acts introduced to replace the PSA Law. According to the Subsoil Code, PSAs are not a specified form of a permitted subsoil use contract, though PSAs concluded before the enactment of the Subsoil Code remain in force. At the same time, as of the date of this Offering Memorandum, PSAs are recognised and specifically regulated by the Tax Code.

### **Trunk Pipeline**

The Law No. 20-V dated 22 June 2012 “On Trunk Pipeline”, as amended, (the “**Trunk Pipeline Law**”) sets out a unified legislative basis for the construction, ownership, and operation of trunk pipelines, as well as the state's control over trunk pipelines. In particular, the Trunk Pipeline Law provides that (i) a trunk pipeline, (ii) shares in an entity that owns a trunk pipeline, and (iii) shares in an entity that may directly and/or indirectly determine and/or influence decisions adopted by an owner of a trunk pipeline constitute “strategic assets”.

Pursuant to the Trunk Pipeline Law, and the State Property Law, the state has a priority right to acquire (i) “strategic assets” that are being alienated; and (ii) a controlling interest (of not less than 51 per cent.) in any new trunk pipeline project. The state may waive its priority right to acquire strategic assets and interest in a new trunk pipeline project or subscribe for less than a 51 per cent. interest in a new trunk pipeline project. The Trunk Pipeline Law does not envisage a priority right of the state in respect of an expansion of an existing trunk pipeline.

In addition, the Trunk Pipeline Law provides that, for trunk pipelines in which the state, a national management holding company, or a national company directly or indirectly owns more than a 50 per cent. interest, operator services must be provided by the national operator, unless otherwise agreed by the Government. Pursuant to the Order of the Minister of Energy of the Republic of Kazakhstan No. 265 dated 12 July 2023, KTO, the Issuer's subsidiary, is determined as the trunk pipeline national operator and now performs all functions and exercises all rights of the national operator as provided by the Trunk Pipeline Law, the Order of the Minister of Energy of the Republic of Kazakhstan No. 265 and its constitutive documents.

The Trunk Pipeline Law (as well as legislation regulating natural monopolies) provides for equal rights of access to trunk pipeline services for all shippers if there is free throughput capacity, subject to certain statutory limitations. If there is limited throughput pipeline capacity, oil and oil product transportation services must be rendered in the priority established by the Trunk Pipeline Law, where first priority is given to shippers supplying oil to domestic refineries. The Trunk Pipeline Law also provides for the possibility of swap operations (*i.e.*, swaps of products by one shipper for the products of another shipper) for the purposes of supplying oil to domestic refineries and gas to the domestic market or outside Kazakhstan, upon written consent of the pipeline owner (or other person legally holding rights to the pipeline), the Competent Authority, and the relevant swapping entities.

The Trunk Pipeline Law defines a trunk pipeline as an integrated production and technological facilities complex and provides for an obligation to ensure the safe transportation of products. Pursuant to the Trunk Pipeline Law, the owner of a trunk pipeline must perform environmental rehabilitation procedures upon the removal of a trunk pipeline from operation. The costs of complying with such a requirement are, at present, unknown.

## **Gas and Gas Supply**

The Gas Law consolidates and streamlines various legislation that previously regulated this area.

Pursuant to the Gas Law the state is the owner of associated gas produced in Kazakhstan (under both new production contracts and existing (including those entered into before the Gas Law entered into force) production contracts, unless they expressly specify that the subsoil user is the owner of the produced gas) and transferred to the state by producers (under the production contracts that provide that the subsoil user is the owner of associated gas).

The Gas Law establishes the state's priority right to purchase (through a national operator) on terms no less favourable than those offered by a third party: (i) any facility within an integrated sales gas supply system (*i.e.*, connecting pipelines, trunk pipelines, sales gas storage facilities and other facilities for production, transport, storage, sale and consumption of gas); (ii) a share in the right of common ownership over such facilities, and (iii) shares (or a participatory interest) in an entity which owns such facilities (*i.e.*, any oil producer that owns gas processing facilities or connecting pipelines for sales of gas). Such priority right of the state does not extend to: (a) transfers (sales) of gas-filling compressor stations and gas-consuming systems of industrial consumers; (b) sales of shares that are traded on the organised security markets; (c) transfers of the facilities and the shares between entities in which not less than 99 per cent. of shares is owned directly or indirectly by the same person or the same owner of the facility within the integrated sales gas supply system; and (d) transfers as a result of which the transferee (or acquirer) receives directly or indirectly the right to dispose of less than 0.1 per cent. of shares (or participation interest) in a legal entity, which owns an object of the integrated sales gas supply system. The state may exercise such priority right on terms no less favourable than those offered by a third party in the manner and according to procedures provided by the Gas Law and the State Property Law.

In addition, the Gas Law provides for the state's pre-emptive right to buy (through the national operator) natural and purified gas at a price approved by the Competent Authority and determined pursuant to formulas provided in the Order of the Minister of Energy of the Republic of Kazakhstan No. 121 dated 13 November 2014, as amended. The price of natural and purified gas includes production costs, processing costs, transportation costs and a maximum profit margin. If the state waives its pre-emptive right to buy gas, the seller may sell the gas to a third party.

By the Resolution of the Government of the Republic of Kazakhstan No. 914 dated 5 July 2012, as amended, QazaqGaz has been appointed as the national operator in the sphere of gas and gas supply. Accordingly, QazaqGaz has been given a priority right to purchase (on behalf of the state) raw and commercial gas produced in Kazakhstan at a regulated price, which it will then sell in the domestic market. QazaqGaz, as the national operator, exercises its other rights and functions stipulated by the Gas Law.

In addition to the matters described above, the Gas Law regulates the general terms and conditions of sales of commercial, liquefied petroleum and liquefied natural gas (based on the approved model contracts), matters related to wholesale and retail sales of gas in the domestic market, as well as matters related to transportation and storage of gas.

## **The Competent Authority and Other Regulatory Authorities**

### ***General***

The state plays a role in several areas of subsoil management. Firstly, the Government is responsible, amongst other things, for organising and managing state-owned reserves, imposing restrictions on subsoil use for the purposes of national security, protection of the environment as well as the life and health of the population, defining the procedures for the conclusion of contracts, appointing the Competent Authority, regulating oil and gas export by imposing customs, protection, antidumping and compensation duties and quotes, establishing quotes for transportation of oil by various methods of transport, and approving a number of normative legal acts in the sphere of oil and gas. Secondly, the state executes, implements and monitors subsoil use contracts through the Competent Authority, which has the power to execute and implement oil and gas contracts, and through a number

of other Government agencies. Thirdly, the state exercises its pre-emptive right through the Issuer, being the national company, or a national management holding company (i.e. Samruk-Kazyna). In addition, local executive authorities (known as *akimats*) have responsibility for, amongst other things, granting land to subsoil users.

### ***The Ministry of Energy***

Following the reorganisation of the Government in 2014, the Ministry of Energy became the competent authority for the oil and gas sphere (the “**Competent Authority**”). The Ministry of Energy is the main state body that regulates the activities related to exploration and production of hydrocarbons and as the Competent Authority in oil and gas sphere also oversees, amongst other things, oil and gas refineries, gas and gas supply, hydrocarbons transportation and operation of trunk pipelines.

According to the Subsoil Code, the Competent Authority represents the interests of the Republic of Kazakhstan and implements the state policy in the sphere of subsoil use through:

- (1) developing and approving the national subsoil resources management program;
- (2) developing and approving legal acts in the sphere of subsoil use;
- (3) review of drafts of standardization documents within the scope of its’ competence, as well as preparation of proposals for the development, amendment, revision or cancellation of national and interstate standards, national classifiers of technical and economic information and recommendations for standardization;
- (4) implementing, on a voluntary basis, of pilot projects for automatization of monitoring of fulfillment by the subsoil users of their subsoil contractual (license) obligations, procedure for provision of subsoil rights through digital information system and registration of transfer and pledge of subsoil right and(or) the Objects;
- (5) granting and termination of subsoil use rights for exploration and production;
- (6) controlling compliance of subsoil users with the terms of subsoil use contracts;
- (7) providing access to information about concluded subsoil use contracts;
- (8) submitting an annual report to the Government on the status of fulfilment of the terms of concluded subsoil use contracts;
- (9) recovering penalties for failures to fulfil the terms of a subsoil use contract;
- (10) exercising other powers provided by the Subsoil Code, other laws of Kazakhstan, acts of the President and the Government.

### ***Other Regulatory Authorities***

Other major government authorities which regulate aspects of hydrocarbon extraction, operations in oil and gas transportation, refining and sales in Kazakhstan include:

- the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan, the state authority in the sphere of environmental protection with a number of specific functions in subsurface use and geology. This ministry is responsible for, amongst others, monitoring of compliance with environmental protection rules and standards for extraction and processing of useful minerals. It is also responsible for formation and implementation of the state environmental protection policy, as well as for coordination of processes in the development of ‘green economy’ and waste management areas;
- the Committee of Geology which has been the authorised state body for the study and use of the subsoil is currently part of the Ministry of Industry and Construction of the Republic of Kazakhstan and is responsible, amongst others, for granting access to, record-keeping and storage of geological information;

- the Ministry of Labour and Social Protection of the Population of the Republic of Kazakhstan is responsible for investigating labour disputes and complaints from individual employees and monitors compliance with the obligations of subsoil users to give preference in hiring, including to employ a certain minimum percentage of Kazakhstan nationals, and issues work permits for foreign workers;
- the Committee on Regulation of Natural Monopolies under the Ministry of National Economy of the Republic of Kazakhstan (“**Natural Monopolies Committee**”), which is responsible for the regulation of tariffs for oil and gas transportation and prices related to sales of gas. The Natural Monopolies Committee is also responsible for granting the ‘antimonopoly’ consent for economic concentration;
- the Ministry of Finance of the Republic of Kazakhstan, the committees of which are responsible, amongst other things, for tax matters and compliance with customs regulations (including the regulation of export from, import to and transportation in the territories of the Eurasian Customs Union), as well as for control over circulation of petroleum products; the Committee for Emergency Situations of Kazakhstan under the Ministry of Internal Affairs of the Republic of Kazakhstan is responsible for overseeing emergency services in Kazakhstan which includes prevention and handling of emergencies and natural disasters in Kazakhstan as well as ensuring of fire safety and organisation of civil defence;
- territorial departments of the Ministry of Justice and other regional and municipal regulatory authorities, which are responsible, amongst other things, for registering legal entities and non-commercial associations, as well as properties, pledges and mortgages; and
- various Government authorities responsible for the approval of construction projects and the use of water and land resources, including the local executive authorities.

The Issuer and its subsidiaries’ shareholder registers are maintained by the Central Securities Depository JSC which is a quasi-sovereign institution owned and controlled by the National Bank of Kazakhstan and which has an exclusive right to maintain securities registrars of Kazakhstan joint stock companies and certain limited liability partnerships (upon a voluntary decision of their participants).

## **Environmental Compliance**

The Issuer is subject to a variety of Kazakhstan’s environmental laws, regulations and requirements that govern air emissions, water use and disposal, waste management, impacts on wildlife, as well as land use and reclamation. The Environmental Code is a major law that governs the activities of Kazakhstan subsoil users.

Both the Subsoil Code and the Environmental Code provide for specific requirements in relation to offshore operations in the Caspian Sea, which are stricter than the general requirements applicable to onshore subsoil operations.

Subsoil use contracts typically impose environmental obligations in addition to that required by the law. Failure to comply with such obligations may lead to substantial fines and penalties or even to suspension or termination of the subsoil use contract.

Under the Environmental Code, companies are obligated to obtain permits (as described below) for the contamination of the environment and must observe all requirements set out in such permits.

The main objectives of the enactment of the new Environmental Code in 2021 was to enforce environmental safety and improve living standards through increased quality of water and land resources, the development of the waste-free green economy, and the conservation of biodiversity.

The Environmental Code is based on several binding principles, such as a “polluter pays” principle, which involves the introduction of several measures including the elimination of environmental damage in kind and the introduction of criminal liability for responsible individuals.

The Environmental Code targets entities that contribute most heavily to pollution, including those in the oil and gas sector, and imposes charges on such entities which will increase gradually and substantially. The aim is to encourage such enterprises to transition to environmentally friendly technologies with an aim to minimise harmful substance emissions.



## **Environmental Permits**

The concept of an environmental permit (the “**EP**”) was developed as a means for the Government to regulate pollution. An EP is a special permit that grants a subsoil user a temporary right to emit or disperse emissions into the atmosphere and the discharge of waste substances into surface and underground waters. EPs contain the conditions governing the user’s impact on the environment. The obligation to obtain an EP arises not only as a matter of law, but also under subsoil use contracts. Companies whose operations may have negative impact the environment are required to obtain an EP.

The Environmental Code of Kazakhstan classifies facilities that have a negative impact on the environment into four categories: I, II, III, and IV. Category I includes facilities with the highest environmental impact, such as hydrocarbon extraction and processing plants, metallurgical and chemical industries, large power plants, and other high-risk enterprises. Category II facilities also have significant, but less intense, environmental impacts. Obtaining an environmental permit is mandatory for operators of Category I and II facilities. An environmental permit is a document confirming the operator’s right to cause negative environmental impacts and establishing specific environmental conditions that must be complied with during the construction, reconstruction, or operation of the facility. Permits are not required for facilities of Categories III and IV, except when such facilities are located within the industrial site of a Category I or II facility and are technologically linked to it. Operators of Category III facilities are required to submit an environmental impact declaration. Two types of environmental permits exist: integrated environmental permits and permits for environmental impact. Operators of Category I facilities must obtain integrated environmental permits. A key condition for obtaining an integrated permit is the implementation of the Best Available Techniques (BAT). Integrated environmental permits are indefinite in duration unless there is a change in the primary production method or new BAT conclusions are approved with requirements that the facility does not meet. In such cases, the operator must apply for a permit review within the established timeframe. Failure to review the permit results in its expiration one year after the new BAT conclusions are approved. Operators of Category II facilities must obtain permits for environmental impact. Fees for negative environmental impacts are regulated by the Tax Code of Kazakhstan and may be increased by local representative bodies (Maslikhats). The object of taxation includes the actual volumes of emissions, discharges, waste disposal, and sulfur placement, determined within the limits of permitted standards or declared volumes.

An EP shall not exempt a subsoil user from liability to pay compensation for damage to the environment caused by its activities, or exempt the subsoil user or its officers from administrative or criminal liability.

## ***Gas Flaring***

Under the Subsoil Code, the flaring of raw gas is prohibited except if (i) there is an emergency or a threat of emergency, threat to the life of personnel or threat to health of population and threat to the environment, (ii) during the testing of wells, (iii) during operational trial of the field, or (iv) if the flaring is unavoidable for technological reasons.

If flaring is made because of an emergency or a threat of emergency, the subsoil user must notify the Competent Authority and the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan in writing within 10 days of such flaring. In all other cases, the subsoil user is subject to obtaining the Competent Authority’s consent for gas flaring provided that the subsoil user complies with the limits on gas flaring contained in the project documents and the gas processing development programme approved by the Competent Authority.

## ***Carbon Emissions Quotas***

In March 2009, the President of Kazakhstan signed the law on the ratification of the Kyoto Protocol. Ratification of the Kyoto Protocol, which is intended to limit or discourage emissions of greenhouse gases such as carbon dioxide, is expected to have an impact on environmental regulation in Kazakhstan. The effect of such ratification in other countries is still unclear; accordingly, potential compliance costs associated with the Kyoto Protocol are unknown.

In addition to the Kyoto Protocol, in November 2016, Kazakhstan ratified the Paris Agreement under the United Nations Framework Convention on Climate Change (the “**Paris Agreement**”).

The Environmental Code contains provisions for state regulation in the sphere of greenhouse gas emissions. By 31 December 2030 the Republic of Kazakhstan aims to reduce its carbon balance (defined as the volume of actual emissions of greenhouse gases less volume of actual absorption of greenhouse gases) by at least 15 percent as

compared to the carbon balance of 1990. This aim is defined as the national contribution of the Republic of Kazakhstan in the global response to climate change (the “**National Contribution**”).

One of the instruments of the state regulation in the sphere of greenhouse gas emissions is the carbon budget, which represents a maximum allowable volume of the national carbon balance over the carbon budgeting period (which currently is five consecutive calendar years).

The carbon budget is developed taking into account National Contributions under international treaties so that the following emission reduction goals are accomplished:

- in the carbon budgeting period from 2021 to 2025, the carbon budget for the year 2021 must be at least 1.5 percent lower than the carbon balance level of 1990, with subsequent annual reductions of no less than 1.5 percent;
- in the carbon budgeting period from 2026 to 2030, the annual reduction of no less than 1.5 percent from the previous year;
- for subsequent carbon budgeting periods the carbon budget for each calendar year must be at least 15 percent lower than the level of carbon balance of 1990.

In addition, the Code establishes a system of carbon credit allocation. The aggregate amount of carbon credits to be distributed amongst the subjects of assignment of quotas in the regulated industries as well as the reserve of carbon credits are set by the National Carbon Credit Plan. The term of the National Carbon Credit Plan corresponds to the period of carbon budgeting while the reporting period is set at one calendar year.

The National Carbon Credit Plan for the period 2022 – 2025 was approved by the Order of the Minister of the Ecology, Geology and National Resources No. 525 dated 11 July 2022.

### ***Water Permits***

The Water Code aims to implement governmental policy in relation to the utilisation and protection of water resources. The Water Code sets out obligations for the use of water and discharge of certain materials into the water, on the basis of Water Use Permits (the “**WUP**”).

WUP is required for special water use, which involves the use of water resources subject to specific legal regulation. Special water use includes the abstraction of water from surface and underground sources, the use of drainage or incidental groundwater during subsoil operations and construction activities, the discharge of treated wastewater into various receptors, as well as the regulation of surface runoff. Separate requirements apply in relation to obtaining of WUP for each type of water use, depending on its nature and volume. WUP may be suspended in the event of violations of water legislation or non-compliance with the applicable requirements in relation to obtaining of WUP. In such cases, the water user is issued an order to eliminate the violations within a specified timeframe. If the violations are not remedied and this is confirmed during an unscheduled inspection, the WUP may be revoked. A WUP may also be revoked if water resources intended for drinking water supply are not used for one year, or if water resources are not used at all for three consecutive years, as well as if the violations that led to the suspension of the WUP have not been resolved.

### ***Enforcement***

The Environmental Code specifies which authorised bodies are responsible for monitoring environmental compliance and enforcing environmental requirements. These officials include the Chief State Ecological Inspector, the Deputy Chief State Ecological Inspector and other regional officials who have the authority to supervise environmental compliance and initiate judicial proceedings.

The Environmental Code authorises the relevant Government officials, in their environmental monitoring measures, to, *inter alia*:

- inspect facilities and take measurements and samples for analysis;

- request and receive from the monitored subjects (objects) results of laboratory sample testing and other materials necessary to evaluate the extent of anthropogenic environmental impact;
- take measures for revocation and suspension of permits, licenses and other approval documents in connection with violation of Kazakhstan environmental legislation;
- identify cases of environmental damage and take part in determining measures to eliminate thereof in accordance with the requirements of the Environmental Code;
- file claims in courts with respect to violations of Kazakhstan environmental legislation by the subject of the state environmental monitoring.

### ***Environmental and Other Mandatory Insurance***

Kazakhstan law establishes a number of mandatory insurances to be obtained by any entity conducting certain types of activities.

#### ***Environmental Insurance***

Pursuant to the Law “On Mandatory Environmental Insurance” No. 93-III dated 13 December 2005, any entity carrying out environmentally hazardous activities should insure against the risks associated with such respective activities.

According to Clause 3 of the List of Environmentally Hazardous Businesses and Other Activities, approved by Order of the Acting Minister of Ecology, Geology, and Natural Resources No. 271 dated 27 July 2021, such activities include: (i) commercial production of oil and gas; (ii) storage of oil, oil products and chemicals; (iii) oil refineries’ activities (other than the production of lubricants from crude oil); and (iv) the operation of oil and gas pipelines. The purpose of the insurance is to ensure compensation for environmental damage resulting from accidents occurring in the course of such activities. The insurance is formalised through a mandatory insurance agreement between the insurer and the insured and must be concluded with a licensed insurer before the commencement of any environmentally hazardous operations. The agreement covers the insured’s civil liability for environmental damage caused by accidents and remains valid for at least 12 months unless terminated earlier.

Other lines of mandatory insurance, which are required by Kazakhstan law and applicable to the Issuer’s activities, are as follows:

#### ***Insurance of Civil Liability of Danger Units Owners***

Pursuant to the Law No.188-V dated 11 April 2014 “On Civilian Protection”, as amended, certain production facilities that involve handling inflammable, explosive, toxic, or other hazardous substances, or engaging in underground mining and related activities, are required to receive mandatory industrial safety declaration. Such facilities are classified as hazardous production objects. According to the Law No. 580-II dated 7 July 2004 “On Mandatory Insurance of Civil Liability of Owners of Units Associated with Danger of Damage to Third Parties”, as amended, owners of such hazardous facilities are obliged to insure their civil liability for potential harm caused to third parties by hazardous production factors. The mandatory insurance agreement must be concluded with a licensed insurer before commencing hazardous activities and remains valid for the duration of the declared industrial safety status.

#### ***Insurance of the Employees against Accidents at Work***

Pursuant to the Law No. 30-III dated 7 February 2005 “On Mandatory Insurance of an Employee Against Accidents While Performing Labour (Service) Duties”, as amended, all employers in Republic of Kazakhstan are required to insure employees against accidents that occur when they are carrying out their employment duties. The insurance covers harm to life or health resulting in death or a loss of professional capacity. The insurance agreement must be signed with a licensed insurer before employment begins and remains valid for at least 12 months or for the duration of the work, if shorter.

### *Insurance of the Civil Liability of Transport Vehicles Owners*

According to the Law No. 446-II dated 1 July 2003 “On Mandatory Insurance of the Civil Liability of Transport Vehicle Owners”, as amended, civil liability of owners of, *inter alia*, cars, trucks, buses, minibuses, and transport vehicles, motor-transport and trailers (semi-trailers) are subject to mandatory insurance requirements, and any use of such vehicles without insurance is prohibited.

### **Statute of Limitations on Proceedings**

The statute of limitations for bringing civil proceedings for breach of environmental requirements is governed by the general statute of limitation provisions under the Civil Code which provides for a three-year limitation period which starts running from the time when a person learns or should have learned of a breach. This limitation does not apply to regulatory proceedings, criminal or administrative prosecutions in connection with breaches of environmental requirements, which are subject to separate limitation periods of up to 30 years.

### **Health and Safety Compliance**

The Issuer’s activities are subject to laws and regulations of Kazakhstan relating to safety and health matters, including industry specific health and safety requirements, and are regulated by various government authorities, including the Ministry of Energy, the Ministry of Labour and Social Protection of the Population and the Ministry of Health. In addition to the Subsoil Code, such laws and normative acts include, amongst others: (a) the Civil Protection Law, which stipulates rules and procedures related to the mandatory industrial safety declaration; (b) the Sanitary Rules on “Sanitary and Epidemiological Requirements to Technological and Auxiliary Facilities and Installations Carrying Out Oil Operations” approved by the Order No. KR DCM-13 dated 15 February 2022 of the Minister of National Economy of the Republic of Kazakhstan, as amended, and (c) other normative acts setting out requirements for industry safety in the oil and gas industry. The laws and regulations require an employer to provide its employees with properly functioning and safe equipment, to train its employees on health and safety requirements, to adopt corporate health and safety regulations, to provide special uniform and shoe wear, special nutrition, to perform periodic medical examinations of its employees, to obtain periodic third party attestation for equipment and worksites, to provide adequate insurance to its employees, to maintain third party liability insurance and to comply with fire safety, sanitary and hygienic regulations.

The Issuer discloses its approach to sustainable development, social, economic and environmental responsibility on an annual basis. The Issuer has been developing annual reports in the field of sustainable development activities since 2008, and since 2012 these reports have been published in accordance with the GRI Sustainability Reporting Standards. In order to assess Issuer’s efforts in the spheres of ecology, corporate governance and the social sphere of business, the Issuer has established a corporate key performance indicator “ESG rating” from 2020 onwards.

### **Price Regulation**

The Government can regulate prices with respect to the members of Issuer’s group that are Kazakhstan companies if such companies have the status of a natural monopoly or hold a dominant position in the relevant market. KTO is classified as a natural monopoly and is subject to price regulation by the Natural Monopolies Committee. Such price regulation applies to domestic market only and does not apply to oil and gas transit and/or export transportation tariffs (set out in accordance with respective international treaties and/or transportation agreements). The Law “On State Regulation of Production and Circulation of Certain Types of Oil Products” No. 463-IV dated 20 July 2011, as amended, empowers the state to regulate marginal retail and wholesale prices for oil products sold through stationary petrol stations. The Ministry of Energy is the government body authorised to determine the types of regulated oil products and their respective marginal prices.

In May 2014, the EAEU Treaty was signed by the EAEU member states, including Kazakhstan. Chapter XX (Energy) of the EAEU Treaty is dedicated to the matters of cooperation of the member states in the sphere of energy, including through formation of a common gas market and granting access to services of natural monopolies in the gas transportation sector in the member states. Pursuant to the EAEU Treaty, the Supreme Eurasian Economic Council approved, in May 2016, the concept of forming a common gas market of the EAEU and, in December 2018, the programme of forming a common gas market of the EAEU. In its Decision No. 22 dated 26 December 2024 the Supreme Eurasian Economic Council determined the common gas market of the EAEU as relationships between EAEU members states established as of 1 January 2025 with consideration to EAEU members states domestic legislation and intergovernmental agreements. The Eurasian Economic Commission was instructed to prepare, jointly with the member states, a draft plan for the development of the

EAEU's common gas market until 2030 and to submit it for consideration by the Supreme Eurasian Economic Council in 2026.

### **Kazakhstan-based Goods and Services**

The Government is promoting the development of related domestic industries and has adopted new policies in the oil and gas sector to accomplish this goal.

An example of these policies is the greater emphasis on the use of Kazakhstan based services providers. Pursuant to this policy, subsoil users are required to retain certain minimum percentage of Kazakhstan producers for the provisions of works and services. Furthermore, subsoil users are required to give preference to Kazakhstan personnel whilst conducting subsoil use operations. Investors are also frequently required to contribute certain amounts of funds to social projects and benefits.

### **S-K Rules**

Pursuant to the Sovereign Wealth Fund Law, the Issuer is not subject to the general State procurement rules (established by the State Procurement Law) and conducts its procurement in accordance with Samruk-Kazyna Procurement Regulation (the “**S-K Rules**”).

The S-K Rules were approved by the Minutes of the Board of Directors of Samruk-Kazyna No. 193 dated 3 March 2022. The S-K Rules are generally similar to the state procurement rules and provide for mandatory procedures for the procurement of goods, work and services by Samruk-Kazyna and companies in which Samruk-Kazyna has a 50 per cent. or more direct or indirect ownership. The S-K Rules require such companies to conduct formal public tenders in order to procure most types of goods, works and services, subject to certain limited exceptions. The procurement of certain limited categories of goods, works and services, as well as goods, works and services provided by companies within the Samruk-Kazyna group, are conducted by way of direct trades without involving the tendering procedures. Samruk-Kazyna exercises overall supervision over compliance with the S-K Rules under the Samruk-Kazyna Procurement Control Rules adopted on 9 December 2021, which became effective on 1 January 2022.

### **Arbitration Law**

Unless the parties agreed otherwise and subject to statutory restrictions, if the parties fail to resolve their dispute arising out of and/or in connection with their respective subsoil use contract, they should submit such dispute to a relevant Kazakhstan court.

Under the Arbitration Law, an arbitration tribunal is not entitled to consider disputes between Kazakhstan individuals and/or legal entities, on the one side, and government authorities, state enterprises, as well as legal entities, fifty per cent. or more of voting shares (participation interests in the charter capital) of which are directly or indirectly owned by the state, on the other side, in the absence of a consent of the authorised body of the relevant industry (in relation to republican property) or the local executive authority (in relation to the municipal property). The government authorities, state enterprises, as well as legal entities (such as the Issuer), fifty per cent. or more of voting shares (participation interests in the charter capital) of which are directly or indirectly owned by the state, intending to conclude an arbitration agreement, must send to the authorised body of the relevant industry (or local executive authority) a request for granting a consent to conclude such arbitration agreement, with an indication of the estimated costs of the arbitration proceedings. When considering the request, the authorised body (or the local executive authority) must take into account the economic security and interests of the state.

When choosing an arbitration court, the parties are free to choose Kazakhstan-based (*e.g.*, the International Arbitration Centre (the “**IAC**”) within the AIFC, the Arbitration Centre of the National Chamber of Entrepreneurs Atameken, etc.) or international arbitration courts (*e.g.*, the London Court of International Arbitration, the ICC International Court of Arbitration, etc.).

#### *IAC Arbitration*

The AIFC is a financial hub in Astana, Kazakhstan, which was officially launched in 2018 and which has a special legal regime. The IAC is functioning in the territory of the AIFC and is intended to provide an independent, economical and expeditious alternative to court litigation, operating to the highest international standards to resolve civil and commercial disputes in the AIFC. Parties may agree for the IAC to administer their arbitration

according to the IAC Arbitration and Mediation Rules, UNCITRAL Arbitration Rules or *ad hoc* arbitration rules and administer their mediations according to the IAC Arbitration and Mediation Rules or *ad hoc* mediation rules. The parties to a dispute may provide other forms of alternative dispute resolution.

The IAC's panel of arbitrators consists of over thirty professionals from over ten different countries, including the United Kingdom, the United States, China, Hong Kong, Japan, India, Singapore, Russia, and certain countries of the European Union.

### **Licensing of Subsoil Services, Storage and Pipeline Transportation**

The Law No. 202-V dated 16 May 2014 "On Permits and Notifications", as amended, (the "**Permits and Notifications Law**") consolidates and streamlines various regulations in relation to licences, permits, consents and other government approvals. The Permits and Notifications Law provides that production of oil and gas, operation of oil refining and oil and gas pipelines as well as subsoil services (such as the drilling of oil and gas wells and other related services) are licenced activities.

A licence is granted for an unlimited period of time by the Competent Authority after submission of the required documentation confirming that the facility fulfils all applicable requirements and the payment of a fee. A licence is not transferable from one person (licensee) to another.

If a legal entity conducts activities without the relevant licence, as required by the Permits and Notifications Law, such entity and its officers are subject to administrative and criminal liability.

### **Anti-monopoly Regulation**

The Natural Monopolies Committee is responsible for the supervision of competition matters, including those relating to the oil and gas industry. It regulates the competitive behaviour of legal entities that are not natural monopolies and supervises legal entities that hold dominant positions in a particular commodity market.

In accordance with the Entrepreneurial Code of the Republic of Kazakhstan No. 375-V ZRK dated 29 October 2015 (the "**Entrepreneurial Code**"), a company is deemed to occupy a dominant position if its market share is equal to or exceeds a threshold of 35 per cent., provided that all of the following circumstances are true in respect of such entity: (i) there is a possibility of such entity unilaterally determining prices and having a decisive influence on the general conditions of a product's sale in the market; (ii) there are economic, technological, administrative or any other restrictions for others to access the market; and (iii) the possibility of such entity to have a decisive influence on the general conditions of a product's sale in the market is lasting. Companies with a market share of 50 per cent. or more are considered to occupy a dominant position whether or not they fulfil the above criteria.

In addition, if not more than three entities in a relevant market hold an aggregate market share of 50 per cent. or more, or if not more than four entities in a relevant market hold an aggregate market share of 70 per cent. or more, each is deemed to hold a dominant market position, provided that such entities meet all of the following criteria: (i) the relative shares of market participants remain the same or change insignificantly for a long period (at least a year or, if such term is less than a year, the term of a certain market existence); (ii) the product sold or purchased by such entities cannot be replaced with another product during its consumption; and (iii) the information on the price for such product and (or) the conditions of its sale is available to the general public. At the same time, if an entity holds a market share not exceeding 15 per cent. of the relevant market, such entity shall not be deemed to hold a dominant market position.

Market participants that intend to engage or have engaged in an economic concentration must obtain approval from the Natural Monopolies Committee or properly notify it of the engagement, depending on the type of concentration.

According to the Entrepreneurial Code, an economic concentration is:

- (1) a reorganisation of a market participant through a merger or consolidation;
- (2) the acquisition by a person (or a group of persons) of voting shares (or participation interests in charter capital or participatory shares) in a market participant where such person (or group of persons) gains the right to dispose of more than 50 per cent. of such shares (or participation interests in charter capital or

participatory shares) if, prior to such acquisition, such person (or group of persons) did not have right to dispose of shares (or participation interests in charter capital or participatory shares) in such market participant or had right to dispose of 50 per cent. or less of the voting shares (or participation interests in charter capital or participatory shares) in the charter capital of such market participant. This, however, does not apply to a new company set-up;

- (3) the acquisition by a market participant (or a group of persons) of right of ownership, possession and use, including in payment for (transfer of) charter capital for fixed production assets (save for certain assets listed in the relevant provision of the Entrepreneurial Code) located on the territory of the Republic of Kazakhstan and (or) intangible assets of another market participant if the book value of the property constituting the subject of the transaction (inter-related transactions) exceeds 20 per cent. of the book value of the fixed production assets and intangible assets of the market participant alienating or transferring the property;
- (4) the acquisition by a market participant (including on the basis of a trust management agreement, joint operation agreement or agency agreement) of rights which allow such market participant to issue binding instructions to the other market participant in conduct by such other market participant of its business activities; or
- (5) the participation of the same individuals in the executive bodies, boards of directors, supervisory boards or other management bodies of two or more market participants, provided that such individuals determine the terms of business activities conducted by such market participants.

Either of the above transactions effected within one group of entities is not considered to be an economic concentration and as such does not require approval from or notification to the Natural Monopolies Committee.

Approval by the Natural Monopolies Committee (for transaction(s) numbered 1) to 3) immediately above) or the notification to the Natural Monopolies Committee (for transactions numbered 4) and 5)) is required when the aggregate book value of assets of the reorganised market participants (or group of persons) or the acquirer (or group of persons) and the market participant whose voting shares (or participation interests in charter capital or participatory shares) are acquired, or their aggregate volume of sales of goods in the most recent financial year, exceed ten million times the size of the monthly calculation index (the “MCI”) in effect at the date of filing an application for approval (notification).

In general, it is the responsibility of the purchaser, which acquires shares (participation interests, stocks), fixed production assets, intangible assets or respective rights, to obtain prior approval from the Natural Monopolies Committee.

A company which engages in an economic concentration without the applicable approval of or notification to the Natural Monopolies Committee in violation of the Entrepreneurial Code may be subject to administrative fines and penalties.

Economic concentration conducted in the absence of the Natural Monopolies Committee’s consent that results in the creation of a monopoly position of a market participant (or a group of entities) and (or) restriction of competition may be invalidated by a court on the basis of an action brought by the Natural Monopolies Committee.

In addition, state registration, re-registration of a market participant and rights to real estate in violation of the requirements of the Entrepreneurial Code may be invalidated and cancelled by a court on the basis of an action brought by the Natural Monopolies Committee.

## TAXATION

*The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Offering Memorandum (unless specified otherwise) and is subject to any change in law that may take effect after such date.*

### **Kazakhstan Taxation**

The following summary of certain Kazakhstan taxation matters is based on the laws as at the date of this Offering Memorandum (unless specified otherwise) and is subject to any changes in the laws, interpretation and application thereof, whilst such changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. This summary only addresses the position of investors who do not have any connection with Kazakhstan other than through acquiring, holding or disposing of Notes. Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of Notes, including their eligibility for the benefits of double tax treaties, under the laws of their country of citizenship, residence, domicile or incorporation, and seek Kazakhstan tax advice as necessary.

Subject to the foregoing, this summary discusses the main Kazakhstan tax consequences of the disposal, sale, exchange or transfer of Notes and payment of interest. In general, Kazakhstan tax legislation with respect to the taxation of securities and financial instruments is not well developed and, in many cases, the exact scope of Kazakhstan tax compliance rules and enforcement mechanism are unclear or open to different interpretations. Moreover, the New Tax Code shall enter into effect on 1 January 2026. The general description of regulation under the New Tax Code is provided further below.

### **Kazakhstan Tax Considerations under the Tax Code**

Non-resident individuals and legal entities that acquire the Notes should be subject to income tax withholding at source of payment in Kazakhstan either on (i) receipt of interest or (ii) in connection with disposal of such Notes. No other taxes or duties should be levied on non-residents in Kazakhstan with respect to such transactions.

Under the Tax Code, the term "interest" includes, *inter alia*, payments on debt securities in the form of discount or coupon (taking into account the discount or premium on the value of the initial placement and (or) acquisition cost), payments to the holder of debt securities who is a related party for the payer of interest on such securities.

Kazakhstan resident legal entities are subject to corporate income tax ("**CIT**") and Kazakhstan resident individuals are subject to personal income tax ("**PIT**") in accordance with the Tax Code, respectively.

### ***Taxation of Kazakhstan tax residents***

#### ***Gains from disposal of the Notes***

Gains derived from the disposal of securities constitute a taxable income for both Kazakhstan resident legal entities and Kazakhstan resident individuals. The taxable amount of a gain for a Kazakh resident legal entity should be calculated as the positive difference (excluding the coupon) between the selling price and the initial (acquisition) value (tax base cost), taking into account the amortization of the discount and/or premium as of the sale date. Kazakhstan resident legal entities are required to include gains from the disposal of securities in their aggregate annual income, which is subject to CIT at the rate of 20 per cent.

An individual tax resident should measure the gain from sale of a security as a positive difference between the selling price and the initial (acquisition) value (tax base cost). Kazakhstan resident individuals that derive gains from the disposal of securities are required to include such gains in their annual income, which is subject to PIT at the rate of 10 per cent.

#### ***Tax benefits applicable to gains derived from disposal of the Notes***



The Tax Code stipulates a tax benefit (downward adjustment of income for individuals and reduction of taxable income for legal entities) that applies to gains from the disposal of the Notes and is subject to the following conditions: (i) the Notes are included in the official list of the stock exchange, (ii) realization is conducted through an open trade method and (iii) realization is conducted on a stock exchange functioning in the territory of the Republic of Kazakhstan, which are KASE and Astana International Exchange (AIX). Additionally, a Kazakhstan resident legal entity's gains from the disposal of the Notes, which meet the conditions indicated above, should be reduced by the losses accumulated in connection with disposal of securities meeting the following conditions (i) securities are included in the official list of the stock exchange (ii) realization is conducted through an open trade method and (iii) realization is conducted on a stock exchange functioning in the territory of the Republic of Kazakhstan, which are KASE and AIX.

### *Interest*

Kazakhstan resident legal entities are required to include interest income on securities in their aggregate annual income, which is subject to CIT at the rate of 20 per cent.

Kazakhstan resident individuals are obliged to include interest income on securities in their annual income, which is subject to PIT at the rate of 10 per cent.

### *Tax benefits applicable to interest income on the Notes*

The Tax Code stipulates a tax benefit (reduction of taxable income for legal entities) that applies to interest on the Notes in case the Notes are included in the official list of the stock exchange functioning in the territory of the Republic of Kazakhstan, which are KASE and AIX. Similarly, Kazakhstan resident individuals may exclude interest on the Notes from their taxable income (downward adjustment of income).

### ***Taxation of Kazakhstan tax non-residents***

Non-resident persons should not become residents in Kazakhstan for Kazakhstan tax purposes by reason of solely the acquisition, ownership or disposal of the Notes. Therefore, under the Kazakhstan tax law, holders of the Notes, being non-residents for Kazakhstan tax purposes with no presence in Kazakhstan, should only be taxed on their income earned from sources in Kazakhstan, rather than on their worldwide income.

Non-resident buyers of the Notes are not subject to taxation in Kazakhstan upon acquisition of such securities during the offering. However, under the Tax Code, a withholding tax ("**WHT**") applies in respect of income derived by non-residents from sources in Kazakhstan, provided that such non-residents do not operate through a permanent establishment in Kazakhstan. The liability to calculate, withhold, remit and report the withheld tax lies with the payer of taxable income, which acts as a tax agent in this case.

Thus, obligations on assessment, declaration, withholding and remittance to the Kazakhstan state budget of WHT on gains realised on post-offering transactions should generally be fulfilled by a buyer of the Notes, which is recognized as a tax agent (excluding individuals), regardless of whether such buyer is a resident or non-resident for Kazakhstan tax purposes. To fulfil their tax agent obligations, such a non-resident should register with the Kazakhstan tax authorities.

Obligations on assessment, declaration, withholding and remittance to the Kazakhstan state budget of WHT on interest should rest with the Issuer which is a Kazakh tax agent in this case.

### *Gains from disposal of the Notes*

As a general rule, a gain derived from the disposal of securities is subject to WHT at the rate of 15 per cent. (or 20 per cent. if the holder of securities is registered in a Country with Favourable Tax Regime, as defined below). Disposals include various types of title transfers including sale, exchange and contribution into capital.

For tax purposes, a gain is measured as a positive difference (excluding the coupon) between the sale price and the initial (acquisition) value (tax base cost), taking into account the amortization of the discount and/or premium as of the sale date. If a seller fails to provide a buyer with documents confirming the initial value of the securities, which are in possession of the seller (the tax base cost of the seller), the buyer must apply any resulting income tax on a gross basis (i.e., on the entire purchase price).

The Tax Code defines a "Country with Favourable Tax Regime" as either a foreign country or a territory, which meets one of the following criteria:

- profit tax rate in such country or territory is less than 10 per cent.; or
- such country or territory has laws on confidentiality of financial information or laws, which allow keeping confidential information about the actual owner of property or income or the actual owners, participants, founders or shareholders of a legal entity (except for a foreign country or a territory which has entered into an international treaty with the Republic of Kazakhstan, which provides for exchange of information on tax matters between the competent authorities, save for the cases when the foreign country or territory does not ensure exchange of information on tax matters between the competent authorities). Foreign country or territory is regarded as failed to ensure exchange of information with the competent Kazakhstan authority for tax purposes if one of the following conditions is met: (1) the Kazakhstan competent authority receives an official refusal of a foreign competent authority for provision of information, even though such exchange is envisaged by the relevant international agreement; (2) the competent foreign authority failed to provide the requested information within the period exceeding two years after the delivery of the request by the Kazakhstan competent authority.

The exact list of Countries with Favourable Tax Regime is approved by Decree No. 142 of the Minister of Finance of the Republic of Kazakhstan, dated 8 February 2018. The following jurisdictions are currently included in the list of Countries with a Favourable Tax Regime: Principality of Andorra, Antigua and Barbuda, Commonwealth of The Bahamas, Barbados, Kingdom of Bahrain, Belize, Negara Brunei Darussalam, Republic of Vanuatu, Republic of Guyana, Republic of Guatemala, Grenada, Republic of Djibouti, Dominican Republic, Commonwealth of Dominica, Kingdom of Spain (in respect of the territories of The Canary Islands only), People's Republic of China (in respect of the territories of the special administrative regions of Macau and Hong Kong only), Republic of Colombia, Union of the Comoros, Republic of Costa Rica, Malaysia (in respect of the territory of Labuan enclave only), Republic of Liberia, Republic of Lebanon, Republic of Mauritius, Islamic Republic of Mauritania, Republic of Portugal (in respect of the territory of the islands of Madeira only), Republic of Maldives, Republic of the Marshall Islands, Principality of Monaco, Republic of Malta, Mariana Islands, Kingdom of Morocco (in respect of the territory of the city of Tangier only), Republic of the Union of Myanmar, Republic of Nauru, Kingdom of the Netherlands (in respect of the territories of the islands of Aruba and dependent territories of the Antilles islands only), Federal Republic of Nigeria, New Zealand (in respect of the territories of the Cook Islands and Niue only), Republic of Palau, Republic of Panama, Independent State of Samoa, Republic of San Marino, Republic of Seychelles, Saint Vincent and the Grenadines, Saint Kitts and Nevis, Saint Lucia, United Kingdom (in respect of the following territories only: Anguilla; Bermuda; the British Virgin Islands; Gibraltar; the Cayman Islands; Montserrat; the Turks and Caicos Islands, Isle of Man, the Channel Islands (Guernsey, Jersey, Sark and Alderney), South Georgia and the South Sandwich Islands, Chagos Island), United States (in respect of the following territories only: The Virgin Islands of the United States, Guam, Commonwealth of Puerto Rico, State of Wyoming), Republic of Suriname, United Republic of Tanzania, Kingdom of Tonga, Republic of Trinidad and Tobago, Republic of Fiji, Republic of the Philippines, Republic of France (in respect of the following territories only: Kerguelen Islands, French Polynesia, French Guiana), Montenegro, Democratic Socialist Republic of Sri Lanka, Jamaica.

#### *Tax benefits applicable to gains derived from disposal of the Notes (applicable to exchange transactions)*

Gains derived by non-resident legal entities from the sale of securities may be exempt from taxation in Kazakhstan subject to the following conditions: (i) securities are included in the official list of the stock exchange functioning in the territory of Kazakhstan (i.e. KASE or AIX) or a foreign stock exchange, and (ii) realization is conducted through an open trade method.

Gains derived by non-resident individuals from the sale of securities may be exempt from taxation in Kazakhstan subject to the following conditions: (i) securities are included in the official list of the stock exchange functioning in the territory of Kazakhstan, which are KASE and AIX, and (ii) realization is conducted through an open trade method.

The abovementioned exemption should also apply to non-resident legal entities that are registered in a foreign jurisdiction, included in the list of Countries with a Favourable Tax Regime.

#### *Interest*

Under the Tax Code, interest is subject to WHT at the rate of 15 per cent. (or 20 per cent. if the holder is registered in a Country with Favourable Tax Regime). WHT is applied to the gross amount of interest without allowance for any deductions.

#### *Tax benefits applicable to interest income on the Notes*

Interest income of non-resident legal entities and non-resident individuals received on the Notes should be exempt from WHT if the Notes (1) are included in the official list of the stock exchange functioning in the territory of Kazakhstan (i.e. KASE or AIX) at the time of interest accrual, and (2) the Notes meet the trading criteria established by the Kazakhstan Government, including having a minimum volume of debt securities issued through public trading and in circulation of at least 1 billion tenge during the calendar year.

The abovementioned exemption should also apply to non-resident legal entities that are registered in a foreign jurisdiction, included in the list of Countries with a Favourable Tax Regime.

### **Kazakhstan Tax Considerations under the New Tax Code Effective Starting on 1 January 2026**

On 18 July 2025, the President of Kazakhstan signed the New Tax Code which enters into force on 1 January 2026. Therefore, provisions of the New Tax Code should apply to operations with the Notes that take place on or after 1 January 2026.

#### ***General Tax Implications under the New Tax Code***

Similar to the regulation under the Tax Code, in accordance with the New Tax Code the non-resident individuals and legal entities that acquire the Notes should be subject to income tax withholding at source of payment in Kazakhstan either on (i) receipt of interest or (ii) in connection with disposal of such Notes. No other taxes or duties should be levied on non-residents in Kazakhstan with respect to such transactions. Kazakhstan resident legal entities are subject to CIT and Kazakhstan resident individuals are subject to personal income tax PIT, respectively.

Under the New Tax Code, the term "interest" includes, *inter alia*, interest on debt securities which are payments in the form of a discount or coupon (taking into account the discount on debt securities or premium on the value of the initial placement and (or) acquisition cost) made to the holder of debt securities or another person who is a related party for the payer of interest on such securities.

#### ***Taxation of Kazakhstan Tax Residents***

##### *Gains from disposal of the Notes*

The New Tax Code introduces a separate category of securities – so-called “tax-privileged securities” – for the purposes of taxation of gains from disposals of such securities by Kazakhstan resident legal entities and individuals. Such tax-privileged securities include, among others:

- agency bonds;
- listed securities which meet all of the following conditions: (i) securities are included in the official list of the stock exchange as of the date of realization, (ii) realization is conducted through an open trade method and (iii) realization is conducted on a stock exchange functioning in the territory of the Republic of Kazakhstan, which are KASE and AIX (the “**Listed Securities**”);
- debt securities issued by a Kazakhstan resident legal entity, and which meet all of the following conditions: (i) on the date of disposal of the debt securities, the taxpayer has held such debt securities for more than three years, (ii) such resident legal entity issuer is not a subsoil user, (iii) the property of persons (a person) being subsoil users in the value of assets of such resident legal entity issuer on the date of such disposal, does not exceed 50 percent (the “**Long-term Debt Securities**”).

As a result of a debt security’s disposal, a Kazakh resident legal entity should calculate the difference (excluding the coupon) between the selling price and the initial (acquisition) value (tax base cost), taking into account the amortization of the discount and/or premium as of the sale date. A Kazakhstan resident legal entity’s differences from the disposals of each category of tax-privileged securities within a tax period (calendar year)

must be aggregated to determine whether the aggregate result is positive (i.e. gain) or negative (i.e. loss). A negative result (i.e. loss) is not taken into account in the taxpayer's CIT calculations. A positive result (i.e. gain), however, must be included in the taxpayer's aggregate annual income. The applicable CIT rate is 20 per cent.

As a result of a debt security's disposal, a Kazakh resident individual should calculate the difference between the selling price and the initial value (tax base cost). A Kazakhstan resident individual's differences from the disposals of all tax-privileged securities within a tax period (calendar year) must be aggregated to determine whether the result is positive (i.e. gain) or negative (i.e. loss). A negative result (i.e. loss) is not taken into account in the taxpayer's PIT calculation. A positive result, however, must be included in the taxpayer's annual income. The applicable PIT rate is 10 per cent. (or 15 per cent. on taxable income exceeding the statutory threshold of 8,500 times MCI).

#### *Tax benefits applicable to gains derived from disposal of the Notes*

If the aggregate amount of a Kazakhstan resident legal entity's differences from disposal operations with all agency bonds in a calendar year is positive (i.e. gain) and such gain is included in the Kazakhstan resident legal entity's gross annual income, the Kazakhstan resident legal entity should be eligible to apply the tax benefit (reduction of taxable income) to such gain derived from the disposal of Notes which qualify as tax-privileged securities, including Listed Securities or Long-term Debt Securities (applicable in case the sale of the Notes is conducted over-the-counter).

If the aggregate amount of a Kazakhstan resident individual's differences from disposal operations with all tax-privileged securities (including agency bonds) in a calendar year is positive (i.e. gain) and such gain is included in the Kazakhstan resident individual's annual income, the Kazakhstan resident individual should be eligible to apply the tax benefit (reduction of income subject to tax) to such gain derived from the disposal of the Notes which qualify as tax-privileged securities, including Listed Securities or Long-term Debt Securities (applicable in case the sale of the Notes is conducted over-the-counter).

#### *Interest*

Kazakhstan resident legal entities are required to include interest income on securities in their aggregate annual income, which is subject to CIT at the rate of 20 per cent.

Kazakhstan resident individuals are obliged to include interest income on securities in their annual income, which is subject to PIT at the rate of 10 per cent (or 15 percent on taxable income exceeding the statutory threshold of 8,500 times MCI). A resident individual's taxable income in the form of interest consists of interest paid (or payable), except for the discount on debt securities, which is recognized by an individual upon their disposal, including redemption, as a gain from disposal.

#### *Tax benefits applicable to interest income on the Notes*

A Kazakhstan resident legal entity should be eligible to apply the tax benefit (reduction of taxable income) to interest income received on debt securities that, as of the date such interest is accrued, are included in the official list of a stock exchange operating in the territory of the Republic of Kazakhstan which are KASE and AIX.

A Kazakhstan resident individual should be eligible to apply the tax benefit (reduction of income subject to tax by the amount of relevant interest) to interest on debt securities issued by entities registered under the laws of the Republic of Kazakhstan and interest on securities that, as of the date such interest is accrued, are included in the official list of a stock exchange operating in the territory of the Republic of Kazakhstan which are KASE and AIX.

#### ***Taxation of Kazakhstan Tax Non-Residents***

Non-resident persons should not become residents in Kazakhstan for Kazakhstan tax purposes by reason of solely the acquisition, ownership or disposal of the Notes. Therefore, under the Kazakhstan tax law, holders of the Notes, being non-residents for Kazakhstan tax purposes with no presence in Kazakhstan, should only be taxed on their income earned from sources in Kazakhstan, rather than on their worldwide income.

Non-resident buyers of the Notes are not subject to taxation in Kazakhstan upon acquisition of such securities during the offering. A WHT applies in respect of income derived by non-residents from sources in Kazakhstan, provided that such non-residents do not operate through a permanent establishment in Kazakhstan. The liability to calculate, withhold, remit and report the withheld tax lies with the payer of taxable income, which acts as a tax agent in this case.

Obligations on assessment, declaration, withholding and remittance to the Kazakhstan state budget of WHT on gains realised on post-offering transactions should generally be fulfilled by a buyer of the Notes, which is recognised as a tax agent, regardless of whether such buyer is a resident or non-resident for Kazakhstan tax purposes. To fulfil its tax agent obligations, such a non-resident should register with the Kazakhstan tax authorities. Individuals, who act as buyers of the Notes, should not be regarded as tax agents with regard to the taxable gain of non-residents if the transaction takes place on a stock exchange.

Obligations on assessment, declaration, withholding and remittance to the Kazakhstan state budget of WHT on interest should rest with the Issuer which is a Kazakh tax agent in this case.

#### *Gains from disposal of the Notes*

As a general rule, a gain derived from the disposal of securities is subject to WHT at the rate of 15 per cent. (or 20 per cent. if the holder of securities is registered in a Country with Favourable Tax Regime, as defined below). Disposals in this section refer to various types of title transfers such as sale, exchange and gratuitous transfer.

The New Tax Code does not set out the procedure for determining non-resident's income in the form of gains arising from the disposal of debt securities. If the procedure for determining resident's income in the form of gains arising from the disposal of debt securities established for residents is applied, a gain should be measured as the difference (excluding the coupon) between the selling price and the initial (acquisition) value (tax base cost), taking into account the amortization of the discount and/or premium as of the sale date. If a seller fails to provide a buyer with documents confirming the initial value of the securities, which are in possession of the seller (the tax base cost of the seller), the buyer must apply any resulting income tax on a gross basis (i.e., on the entire purchase price).

The New Tax Code defines a "Country with Favourable Tax Regime" as either a foreign country or a territory, which meets one of the following criteria:

- profit tax rate in such country or territory is less than 10 per cent.; or
- such country or territory has laws on confidentiality of financial information or laws, which allow keeping confidential information about the actual owner of property or income or the actual owners, participants, founders or shareholders of a legal entity (except for a foreign country or a territory which has entered into an international treaty with the Republic of Kazakhstan, which provides for exchange of information on tax matters between the competent authorities, save for the cases when the foreign country or territory does not ensure exchange of information on tax matters between the competent authorities). Foreign country or territory is regarded as failed to ensure exchange of information with the competent Kazakhstan authority for tax purposes if one of the following conditions is met: (1) the Kazakhstan competent authority receives an official refusal of a foreign competent authority for provision of information, even though such exchange is envisaged by the relevant international agreement; (2) the competent foreign authority failed to provide the requested information within the period exceeding two years after the delivery of the request by the Kazakhstan competent authority.

The exact list of Countries with Favourable Tax Regime is approved by Decree No. 142 of the Minister of Finance of the Republic of Kazakhstan, dated 8 February 2018 (the list of Countries with Favourable Tax Regime is valid as of September 2025 and may change before or after the New Tax Code is enacted). The following jurisdictions are currently included in the list of Countries with a Favourable Tax Regime: Principality of Andorra, Antigua and Barbuda, Commonwealth of The Bahamas, Barbados, Kingdom of Bahrain, Belize, Negara Brunei Darussalam, Republic of Vanuatu, Republic of Guyana, Republic of Guatemala, Grenada, Republic of Djibouti, Dominican Republic, Commonwealth of Dominica, Kingdom of Spain (in respect of the territories of The Canary Islands only), People's Republic of China (in respect of the territories of the special administrative regions of Macau and Hong Kong only), Republic of Colombia, Union of the Comoros, Republic of Costa Rica, Malaysia (in respect of the territory of Labuan enclave only), Republic of Liberia, Republic of Lebanon, Republic of

Mauritius, Islamic Republic of Mauritania, Republic of Portugal (in respect of the territory of the islands of Madeira only), Republic of Maldives, Republic of the Marshall Islands, Principality of Monaco, Republic of Malta, Mariana Islands, Kingdom of Morocco (in respect of the territory of the city of Tangier only), Republic of the Union of Myanmar, Republic of Nauru, Kingdom of the Netherlands (in respect of the territories of the islands of Aruba and dependent territories of the Antilles islands only), Federal Republic of Nigeria, New Zealand (in respect of the territories of the Cook Islands and Niue only), Republic of Palau, Republic of Panama, Independent State of Samoa, Republic of San Marino, Republic of Seychelles, Saint Vincent and the Grenadines, Saint Kitts and Nevis, Saint Lucia, United Kingdom (in respect of the following territories only: Anguilla; Bermuda; the British Virgin Islands; Gibraltar; the Cayman Islands; Montserrat; the Turks and Caicos Islands, Isle of Man, the Channel Islands (Guernsey, Jersey, Sark and Alderney), South Georgia and the South Sandwich Islands, Chagos Island), United States (in respect of the following territories only: The Virgin Islands of the United States, Guam, Commonwealth of Puerto Rico, State of Wyoming), Republic of Suriname, United Republic of Tanzania, Kingdom of Tonga, Republic of Trinidad and Tobago, Republic of Fiji, Republic of the Philippines, Republic of France (in respect of the following territories only: Kerguelen Islands, French Polynesia, French Guiana), Montenegro, Democratic Socialist Republic of Sri Lanka, Jamaica.

#### *Tax benefits applicable to gains derived from disposal of the Notes*

Gains derived by non-resident individuals from the sale of Listed Securities should not be subject to taxation in Kazakhstan. Gains derived by non-resident legal entities and non-resident individuals from disposal of Long-term Debt Securities (applicable in case the sale of the Notes is conducted over-the-counter (in relation to non-resident individuals)) should not be subject to taxation in Kazakhstan.

Individual residents / citizens of Countries with a Favourable Tax Regime should be eligible to claim the exemption on Listed Securities.

#### *Interest*

Under the New Tax Code, interest on debt securities received from the issuer of such securities is subject to WHT at the rate of 10 per cent. (or 20 per cent. if the holder is registered in a Country with Favourable Tax Regime). WHT is applied to the gross amount of interest without allowance for any deductions.

#### *Tax benefits applicable to interest income on the Notes*

Additionally, interest income of non-resident legal entities and non-resident individuals received on the Notes should not be subject to taxation in Kazakhstan if the Notes (1) are included in the official list of the stock exchange functioning in the territory of Kazakhstan (i.e. KASE or AIX) at the time of interest accrual, and (2) the Notes meet the trading criteria established by the Kazakhstan Government, including having a minimum volume of debt securities issued through public trading and in circulation of at least 1 billion tenge during the calendar year.

The New Tax Code also stipulates that amounts of accrued interest on debt securities paid upon their purchase by resident buyers should not be regarded as non-resident's Kazakh-source income.

Non-resident individuals and non-resident legal entities who are residents of Countries with a Favourable Tax Regime or are registered in such countries should be eligible to apply the abovementioned exemption.

#### **Gains and Interest under the AIFC Law**

Under the AIFC Law, capital gains derived by the holders of the Notes from the sale of their Notes as well as interest paid on the securities will be exempt from taxation in Kazakhstan until 1 January 2066, provided that such securities are included in the official list of securities of the AIX as at the date of their sale and at the date the interest is accrued, respectively. Accordingly, by virtue of the Notes being admitted to the official list of the AIX any income derived from the sale of Notes included in the official list of the AIX as at the date of their sale as well as interest paid on such Notes will be exempt from taxation in Kazakhstan.

#### ***Treaty Protection in the Absence of Exemption***

If the exemptions envisaged by the Tax Code or the New Tax Code, as applicable, are not available, non-resident holders of the Notes, who are residents in the countries with which Kazakhstan has a tax treaty, may be entitled to apply tax exemptions or a reduced tax rate (on interest) under such treaty, if certain conditions are met.

However, the tax treaty protection in respect of gains from the disposal of the Notes could be achieved in Kazakhstan through income tax refund only, i.e., after income tax is already paid to the Kazakhstan state budget. Thus, the relevant investors should file an income tax refund claim along with documents prescribed by the Kazakhstan tax legislation to the respective tax authority within the established timeframe. In practice, however, this process may prove to be administratively burdensome and time-consuming with no guarantee of the outcome.

In addition, non-resident holders of the Notes who are residents of the countries with which Kazakhstan has tax treaties may be entitled to a reduced rate of withholding tax on interest, if certain conditions are met.

In particular, depending on the country of residence and satisfaction of certain other conditions, the interest WHT rate under most of Kazakhstan's tax treaties which are in effect as at the date of this Offering Memorandum is 10%. Under these treaties, reduction of the interest WHT may only be available to beneficial owners of interest (i.e. a recipient of interest shall have the rights of possession, use, disposal of the relevant income and shall not act as an intermediary (such as an agent or nominee holder)) and if the Tax Code or the New Tax Code, as applicable, and tax treaty requirements are met. Also, since the New Tax Code establishes a 10% WHT rate on debt securities interest, and most of Kazakhstan's tax treaties also provide for a 10% rate, the application of a treaty will generally be relevant only in specific cases where a treaty grants preferential treatment to certain organizations or institutions.

In order to avail themselves of this relief, eligible holders have to provide the Issuer with a document issued by the competent authority of their country of tax residence confirming tax residence in a treaty jurisdiction. The document should be provided within the deadlines established by the Kazakhstan tax legislation and meet the requirements of the Tax Code or the New Tax Code, as applicable. In particular, to be valid in Kazakhstan, a stamp of the competent authority and signature of the authorised official in the document, which confirms tax residence, should be apostilled or legalised by a holder's home country's competent authority. A signature and a stamp of a foreign notary should also be apostilled or legalised.

Apostille or legalisation of the aforementioned signatures and stamps are not required, *inter alia*, if: (i) the relevant document is published on the official website of the competent authority, or (ii) other authentication procedures, which are envisaged by international agreements to which Kazakhstan is a party, are met.

In addition, for legal holders of the Notes, the Issuer will need to have available the list of the legal holders of the Notes containing the information required by the Kazakhstan tax legislation. Depending on how a contract for keeping records and proof of ownership over the Notes is structured, the list of the legal holders of Notes should be provided to the Issuer either by the Kazakhstan Central Securities Depository or an organisation which is entitled to conduct depository activity on a foreign security market.

If a legal holder of the Notes is a resident of the tax treaty state with which the tax treaty is modified by a Multilateral Instrument (the "**MLI**") of the Organisation for Economic Co-operation and Development, the legal holder of the Notes may be requested to provide documents confirming the satisfaction of MLI requirements. If the above document and other required documents are not made available to the Issuer prior to 31 March of the year following the year when interest are paid, and/or if the list of the legal holders of Notes is not provided to the Issuer (as required above), then the Issuer should apply WHT at a standard rate as provided by the Tax Code or the New Tax Code, as applicable, and account for the withheld amounts to the relevant authority.

In certain cases, the holders/beneficial owners of the Notes who are eligible for a lower WHT rate under the tax treaty should later be able to claim a refund of overpaid tax either from the Kazakhstan state budget or from the Issuer under certain conditions.

### ***VAT and Stamp Duties***

No Kazakhstan VAT or stamp duty should be payable by holders of the Notes in connection with the sale purchase of the Notes and with the interest received on the Notes in the manner contemplated in the Offering Memorandum.

## OVERVIEW OF THE PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

### The Global Notes

The Notes will be issued in registered form only, and will be offered and sold in reliance on Regulation S outside the United States.

The Global Notes will be deposited with a sub-custodian for the CMU and/or deposited with a common depositary for, and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg (if applicable) as specified in the applicable Pricing Supplement.

Persons holding beneficial interests in the Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 1) as the registered holder of the Global Notes. None of the Issuer, any Paying Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 11(a)(ii)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes only upon the occurrence of an Exchange Event in the case of Notes. For these purposes, “Exchange Event” means that (i) following the failure to pay principal in respect of any Note at maturity or upon acceleration of any Note and the Registrar has received a notice from the registered holder (*i.e.*, common depositary) of the relevant Global Note requesting an exchange of the Global Note for Definitive Notes, or (ii) in the case of Notes registered in the name of a sub-custodian in relation to the CMU or a common depositary for Euroclear or Clearstream, Luxembourg, the Issuer has been notified that the CMU or both Euroclear and Clearstream, Luxembourg, as the case may be, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The Issuer will promptly give notice to Noteholders in accordance with Condition 20 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) in the case of Notes held through a sub-custodian for the CMU, and/or (b) in the case of Notes registered in the name of a nominee for a Common Depositary for Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Note), the relevant account holders therein may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (ii) above and/or, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Global Note will be able to transfer such interest, except in accordance with the applicable procedures of the CMU, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

If a Note (whether in global or definitive form) is held through the CMU, any payment that is made in respect of such Note shall be made at the direction of the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU in accordance with the CMU Rules (as defined in the Trust Deed) at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

Any reference herein to the CMU and/or Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.



## Amendments to Conditions

Each Global Note contains provisions that apply to the Notes that they represent, some of which modify the effect of the above Terms and Conditions of the Notes. The following is a summary of those provisions:

- **Payments.** Payments of principal and interest in respect of Notes evidenced by a Global Note will be made against presentation for endorsement by the CMU Lodging and Paying Agent or, as the case may be, Principal Paying Agent and, if no further payment falls to be made in respect of the relevant Notes, surrender of such Global Note to or to the order of the CMU Lodging and Paying Agent or, as the case may be, Principal Paying Agent or such other Paying Agent as shall have been notified to the relevant Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the relevant Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the relevant Notes.
- **Notices.** In respect of any Global Note (i) held in its entirety on behalf of the CMU, any notice to the Noteholders shall be validly given by the delivery of the relevant notice to the CMU for communication by the CMU to each relevant accountholder in substitution for notification as required by the Conditions. Indirect participants will have to rely on the CMU participants to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants, (ii) held by or on behalf of a clearing system other than the CMU, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Terms and Conditions of the Notes, provided that, for so long as any Notes are listed on the Hong Kong Stock Exchange, the Kazakhstan Stock Exchange and/or the Astana International Exchange, as the case may be, such notice may instead be published on the HKEXnews website established by the Hong Kong Stock Exchange, and on the website of Kazakhstan Stock Exchange or the Astana International Exchange, as the case may be, in each case in accordance with any rules from time to time of the Hong Kong Stock Exchange and/or Kazakhstan Stock Exchange and/or the Astana International Exchange, as the case may be.
- **Meetings.** The holder of each Global Note will be treated as being two persons for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and in any such meeting as having one vote in respect of Notes for which the relevant Global Note may be exchangeable.
- **Trustee's Powers.** In considering the interests of Noteholders whilst the relevant Global Note is held on behalf of a clearing system, the Trustee, to the extent it considers it appropriate to do so in the circumstances, may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note and may consider such interests as if such accountholders were the holders of such Global Note.
- **Record Date.** Notwithstanding Condition 11, "Record Date" shall mean the Clearing System Business Day immediately prior to the due date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive, except 25 December and 1 January.
- **Cancellation.** Cancellation of any Note required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the applicable Global Note.
- **Redemption at the Option of the Issuer.** Any Call Option provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.
- **Redemption at the Option of Noteholders.** Any Put Option provided for in the Conditions may be exercised by the holder of the Global Note (i) giving notice to the Issuer within the time limits relating to the deposit of Notes set out in the Conditions substantially in the form of the notice available from any Paying Agent, the Registrar or any Transfer Agent (except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised) stating the nominal

amount of Notes in respect of which the option is exercised and (ii) at the same time depositing the Global Note with the Registrar or any Transfer Agent at its specified office.

## CLEARANCE AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the CMU, Euroclear or Clearstream, Luxembourg (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer, nor any Arranger or Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Trust Deed and Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.*

*The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.*

### CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the “**HKMA**”) for the safe custody and electronic trading between the members of this service (“CMU Members”) of capital markets instruments (“**CMU Instruments**”) which are specified in the CMU Service Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorised institutions” under the Banking Ordinance (Cap. 155) of Hong Kong.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or “redemption proceeds” (collectively, the “**income proceeds**”) by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU.

### Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

### Book-Entry Ownership

The Issuer may apply to have Global Notes accepted for clearance through the CMU. The Issuer has also made applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Global Notes. Each Global Note will have a CMU Instrument Number or an ISIN and a Common Code, as the case may be. Investors in Notes of such Series may hold their interests in a Global Note only through the CMU, Euroclear, Clearstream, Luxembourg, as the case may be.

### **Transfer of Notes Represented by Global Notes**

Transfers of any interests in Notes represented by a Global Note within the CMU, Euroclear and Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant Clearing System. The CMU, Euroclear and Clearstream have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Notes among accountholders of CMU, Euroclear and Clearstream. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Trustee, the Paying Agents, the Registrar and/or the Dealers will be responsible for any performance by the CMU, Euroclear or Clearstream or their respective accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

### **Payment, Settlement and Transfer in the AIX and the AIX CSD**

Notes offering will be made through the book-building platform of the trading system of the AIX in accordance with the AIX Business Rules and relevant AIX Market Notice. The payment and settlement will be made through the settlement system of the Astana International Exchange Central Securities Depository ("**AIX CSD**") in accordance with the rules and procedures of the AIX CSD (the "**AIX CSD Rules**"), in particular delivery of the Notes through the system of the AIX CSD and the account of AIX CSD at Euroclear, on or about Issue Date.

In order to participate in such offering of Notes, take delivery of Notes and trade Notes on the AIX, investors are required to have an account opened with a brokerage company admitted as an AIX Trading Member and an AIX CSD Participant. Notes will be held on behalf of investors in the relevant AIX Trading Member's custodial account at AIX CSD.

The Issuer expects that custodial and depository links have been established between Euroclear and the AIX CSD, with AIX CSD maintaining an account with Euroclear, to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading.

### **Initial Settlement**

Euroclear and Clearstream, Luxembourg are expected to accept the Notes for settlement in their respective book-entry settlement systems. The Issuer expects that delivery of the Notes will be made through the facilities of Euroclear and Clearstream, Luxembourg on or about the Issue Date. Except as set forth herein, investors may hold beneficial interests in and transfer the Notes only through Euroclear or Clearstream, Luxembourg and their direct and indirect participants, including AIX CSD. Transfers within Euroclear and Clearstream, Luxembourg and AIX CSD will be in accordance with the usual rules and operating procedures of the relevant system.

The Issuer will not impose any fees in respect of the Notes; however, holders of book-entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in AIX CSD, Euroclear, Clearstream, Luxembourg.

### **AIX CSD**

AIX CSD holds securities for AIX Trading Members and their clients and facilitates the clearance and settlement of securities transactions between these participants through electronic book entry changes in accounts of such participants. AIX CSD provides, among other things, services for safekeeping, administration, clearance and settlement of traded securities and securities lending and borrowing. AIX CSD has established a direct electronic linkage to Euroclear to facilitate the transfer of securities between AIX CSD and the Euroclear system.

Distributions of coupons and other payments with respect to book entry interests in the Notes held through AIX CSD will be credited to the cash accounts of AIX Trading Members in accordance with the relevant AIX CSD's Rules.

Upon settlement of the Notes in accordance with the Terms and Conditions of the Notes, the AIX CSD will receive the Notes allocated to the AIX Trading Members through the book-build process and will hold the Notes in the AIX CSD nominee account at Euroclear. Upon receipt, AIX CSD will create the total number of Notes allocated to AIX Trading Members' accounts in AIX CSD and allocate the same to the investor nominee or custodial account of an AIX Trading member as instructed by the Kazakhstan Manager.

#### **Trading between AIX CSD Participants**

After Notes are issued and lodged in the AIX CSD, any trading of such Notes between investors on the secondary market will take place electronically through the AIX trading platform, and settlement/recording will be handled by the AIX CSD, in line with AIX Business Rules and the AIX CSD Rules.

#### **Distributions of Coupon**

Coupon and other payments with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by such depositaries, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures. This includes holders of book entry interests in Notes at AIX CSD, where the coupon and other payments will be credited to AIX CSD. Upon receipt by AIX CSD, coupons and other payments with respect to book entry interests in the Notes held through AIX CSD will be credited to the cash accounts of the AIX Trading Members nominee or account at AIX CSD in accordance with AIX CSD Rules.

## PRC CURRENCY CONTROLS AND EXCHANGE RATES

### Remittance of Renminbi into and outside China

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside China is subject to controls imposed under PRC law.

### Current Account Items

**Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and other frequent transfers into and outside China.**

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Since July 2009, China has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods and services between approved pilot enterprises in five designated cities in China including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (in Chinese: 关于扩大跨境贸易人民币结算试点有关问题的通知) (Yin Fa (2010) No. 186) (the “Circular”), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover 20 provinces including Beijing, Shanghai, Tianjin, Chongqing, Guangdong, Jiangsu, Zhejiang, Liaoning, Shandong and Sichuan, and (iii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from China, such Renminbi remittance may only be effected by approved pilot enterprises in 16 provinces within the designated pilot districts in China).

On 27 July 2011, the PRC government promulgated the Notice on Expanding the Areas of the Pilot Programme of Renminbi Settlement of Cross-Border Trade Transactions (in Chinese: 关于扩大跨境贸易人民币结算地区的通知) (Yin Fa [2011] 203), pursuant to which enterprises located in all provinces of China are permitted to settle import of goods, cross-border services and other current account items in Renminbi, while settlement in Renminbi for export of goods is permitted for approved pilot enterprises in 15 provinces.

Since July 2013, the procedures for cross-border Renminbi trade settlement under current account items have been simplified, further, since June 2015, trades through e-commerce can also be settled under in Renminbi under the current regulatory regime. A cash pooling arrangement for qualified multinational enterprise group companies was introduced in late 2014, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. In addition, the eligibility requirements for multinational enterprise groups have been lowered and the cap for net cash inflow has been increased in September 2015.

On 31 December 2020, the PRC government promulgated the Circular of Foreign Exchange on Further Optimizing the Cross-border RMB Policies to Support the Stabilization of Foreign Trade and Foreign Investment (in Chinese: 关于进一步优化跨境人民币政策支持稳外贸稳外资的通知) (Yin Fa [2020] No. 330), pursuant to which domestic banks, on the basis of relevant financial service principles, are permitted to directly handle cross-border Renminbi settlement for the trade in goods and services in China in accordance with laws and regulations for quality enterprises based on the receipt/payment instructions for cross-border Renminbi Settlement submitted by them.

The regulations referred to above are subject to interpretation and application by the relevant PRC authorities. It is possible that local authorities may adopt different practices in applying the regulations and impose additional conditions for settlement of current account items.

### Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with the relevant PRC authorities.

Generally there were no PRC rules that expressly permitted the cross-border remittance of Renminbi for capital account payments. Instead, capital account items were generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) were generally required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by or filed with the relevant authorities (as the case may be). Foreign invested enterprises or any other relevant PRC parties were also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities might approve a foreign entity to make a capital contribution or shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside China and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside China in Renminbi on a trial basis. The foreign invested enterprise might also be required to complete registration and verification process with the relevant PRC authorities before such RMB remittances.

On 7 April 2011, SAFE issued the Notice on Regulating Issues Concerning Process of Cross-Border Renminbi Capital Account Trades (in Chinese: 国家外汇管理局综合司关于规范跨境人民币资本项目业务操作有关问题的通知) (Hui Zong Fa [2011] 38). According to this notice, as of 1 May 2011, (i) capital contributions by foreign investors in Renminbi to FIEs shall be registered with the local competent branch of SAFE with the approvals of the competent commerce authorities on the capital contribution in Renminbi, and other formalities shall be handled by reference to those for foreign direct investment with foreign currencies; (ii) Renminbi debts to be borrowed by domestic entities from outside China shall be regulated pursuant to the existing provisions on foreign debts.

On 13 October 2011, PBOC promulgated the Administration Rules on Foreign Direct Investment Renminbi Settlement Operations (in Chinese: 外商直接投资人民币结算业务管理办法) (Circular [2011] 23, revised on 5 June 2015 by the Announcement of PBOC [2015] No. 12). The rules stipulate that (i) if any registered capital of an FIE will be contributed by a foreign investor in Renminbi, the FIE shall open a special Renminbi capital account in China to receive such Renminbi funds; (ii) when remitting Renminbi capital to the FIE with Renminbi, the foreign investor shall submit to the bank of the FIE the approval or filing record of the competent PRC government authority on the investment; (iii) if a foreign investor intends to remit its Renminbi profits out of China, the relevant bank may process it directly after reviewing supporting documents such as the resolutions of the FIE on profit distribution and the tax clearance proofs; (iv) if an FIE intends to borrow Renminbi loans from abroad, it shall open an Renminbi deposit account in China to keep the borrowed Renminbi funds; and (v) if the FIE intends to repay the Renminbi foreign loan with Renminbi, it may apply to the remitting bank directly with supporting documents such as the loan agreement, the request for repayment and the tax clearance proofs.

On 3 December 2013, MOC promulgated the Circular on Cross-Border Renminbi Direct Investment (in Chinese: 关于跨境人民币直接投资有关问题的公告) (Circular 2013 No. 87). According to the referred circular, as of 1 January 2014, foreign direct investment projects using cross-border Renminbi will be examined and approved by local commerce authorities pursuant to existing laws and regulations, and the prior consent by MOC is no longer required.

On 13 February 2015, SAFE issued the Notice on Further Simplifying and Improving Foreign Exchange Management Policies for Direct Investment (in Chinese: 关于进一步简化和改进直接投资外汇管理政策的通知) (Hui Fa [2015] No. 13). According to this notice, as from 1 June, 2015, relevant foreign exchange registrations in relation to foreign direct investment projects shall be examined by banks designated by SAFE, and SAFE shall no longer approve the registrations accordingly but shall indirectly monitor and supervise the registrations through the banks; in addition, management of registration and confirmation of capital contribution using foreign currency and cross-border Renminbi by foreign investors under direct investment shall be further simplified.

On 30 March 2015, SAFE issued the Notice on Reforming the Administration of Settlement of Foreign Exchange Capital of Foreign Invested Enterprises (in Chinese: 关于改革外商投资企业外汇资本金结汇管理方式的通知)

) (Hui Fa [2015] No. 19), pursuant to which, a system of willingness-based foreign exchange settlement is adopted for settlement of foreign exchange capital of foreign invested enterprises.

On 5 January 2018, PBOC promulgated the Notice on Further Improving Policies of Cross-Border RMB Business to Promote Trade and Investment Facilities (in Chinese: 关于进一步完善人民币跨境业务政策促进贸易投资便利化的通知) (Yin Fa [2018] No. 3). The notice stipulated that (i) for any cross border transaction that can use a foreign exchange currency for settlement in accordance with law, enterprise may use Renminbi for settlement as well; (ii) a foreign invested enterprise can open a special Renminbi deposit capital account at a bank outside of the registration place of the enterprise, at the same time, the enterprise can open more than one special Renminbi deposit capital account, and can transfer funds among a number of such accounts.

In October 2019, SAFE promulgated measures to simplify foreign exchange accounts, for example, “Capital accounts – special account for domestic reinvestment” was included in “capital accounts – foreign exchange capital account” and to further promote the reform of “simplification of administrative procedures and decentralisation of powers, combination of decentralisation and appropriate control, and optimisation of services”.

In November 2022, PBOC, SAFE and six other PRC authorities jointly issued a notice which further promoted the innovation on cross-border investment and financing activities in those cities of Shanghai, Nanjing, Hangzhou, Hefei and Jiaxing and stressed the macro-prudential management on the monitoring of cross-border capital flows.

However, there can be no assurance that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside China, and it is possible that local authorities may adopt different practices in applying the regulations and impose additional conditions for settlement of capital account items. In the event that the Issuer is not able to repatriate funds outside China in Renminbi to service its shareholder’s loan, the Issuer will need to source Renminbi offshore to finance its obligations under Notes denominated in Renminbi, and its ability to do so will be subject to the overall availability of Renminbi outside China.

## **Exchange Rates**

Since 1 January 1994, the PBOC has set and published daily a base exchange rate with reference primarily to the supply and demand of Renminbi against the U.S. dollar in the market during the prior day. On 21 July 2005, the PBOC announced a reform of its exchange rate system and revalued the Renminbi to CNY8.11 to USD1.00. Under the reform, the Renminbi is no longer effectively linked to the U.S. dollar but instead is allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, according to market demand and supply conditions. The PBOC announces the Renminbi’s closing price each day, and that rate serves as the midpoint of the next day’s trading band. On 18 May 2007, the PBOC announced that, effective from 21 May 2007, it would widen the daily trading band of the Renminbi against the U.S. dollar from 0.3 per cent. To 0.5 per cent. Since 18 May 2007, such daily trading band of the Renminbi against the U.S. dollar has been widened pursuant to further announcements of the PBOC. As a result, the Renminbi is now permitted to rise or fall 2.0 percent. each day from the midpoint set each morning. The PRC government may make further adjustments to the exchange rate system in the future.



## SUBSCRIPTION AND SALE

Notes may be sold from time-to-time by the Issuer to any one or more of Bank of China (Hong Kong) Limited, BOCI Asia Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Limited (the “**Joint Arrangers**”) and any other Dealers appointed under the terms of the Dealer Agreement (as defined below). The arrangements under which Notes may from time-to-time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 20 October 2025, as may be supplemented, amended or restated from time-to-time (the “**Dealer Agreement**”), and made amongst the Issuer, the Joint Arrangers and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. The Dealer Agreement provides that the obligations of the Dealers to subscribe for the Notes are subject to certain conditions precedent.

Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or any of its subsidiaries and affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities or instruments of the Issuer or any of its subsidiaries and affiliates. Certain of the Dealers and their affiliates have lending relationships with the Issuer and certain of its subsidiaries and affiliates and, in this connection, routinely hedge their credit exposure to these entities consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions, which consist of either the purchase of credit default swaps or the creation of short positions in securities issued by the Issuer and certain of its subsidiaries and affiliates, including, potentially, Notes issued under the Programme. Any such short positions could adversely affect future trading prices of the Notes. The Dealers and their affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

### United States of America

In respect of Notes offered or sold in reliance on Category 1 as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the U.S. except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In respect of Notes offered or sold in reliance on Category 2 as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Each Dealer has represented and agreed, and each new Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the U.S. or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each new Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the U.S. or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the U.S. by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

## EEA

Each Dealer has represented and agreed, and each new Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following.

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
- (b) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (c) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”).

The expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## United Kingdom

Each Dealer has represented and agreed, and each new Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”);
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Each Dealer represents and agrees that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of

Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### **Hong Kong**

Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

### *Important Notice to CMIIs (including private banks)*

This notice to CMIIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIIs, which require the attention and cooperation of other CMIIs (including private banks). Certain CMIIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealer(s) accordingly.

CMIIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering may include institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Memorandum and/or the applicable Pricing Supplement.

CMIIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIIs). CMIIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIIs should not place “X-orders” into the order book.

CMIIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMI (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMI (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors on or prior to the launch of the relevant CMI Offering.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any “Associations” (as used in the SFC Code);
- Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealer(s) named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealer(s) may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

To: *[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide]*

*CMIs submitting orders should send ALL of the below information, at the same time as such order is submitted, to EACH OC contact set out above. Failure to do so may result in such order being rejected.*

Offering: *See the applicable Pricing Supplement for the relevant description*

Date: *[•]*

|                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of CMI submitting order:                                                                                                                          | [•]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Name of prospective investor:                                                                                                                          | [•]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Type of unique identification of prospective investor:                                                                                                 | <p><i>For <b>individual investor clients</b>, indicate one of the following:</i></p> <p>(i) <i>HKID card; or</i></p> <p>(ii) <i>national identification document; or</i></p> <p>(iii) <i>passport.</i></p> <p><i>For <b>corporate investor clients</b>, indicate one of the following:</i></p> <p>(i) <i>legal entity identifier (LEI) registration; or</i></p> <p>(ii) <i>company incorporation identifier; or</i></p> <p>(iii) <i>business registration identifier; or</i></p> <p>(iv) <i>other equivalent identity document identifier.</i></p> |
| Unique identification number of prospective investor:                                                                                                  | <i>Indicate the unique identification number which corresponds with the above “type” of unique identification</i>                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Order size (and any price limits):                                                                                                                     | [•]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Other information:                                                                                                                                     | [•]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <ul style="list-style-type: none"> <li>• Associations</li> </ul>                                                                                       | <i>Identify any “<b>Associations</b>” (as used in the SFC Code) and, if any Associations identified, provide sufficient information to enable the OCs to assess whether such order may negatively impact the price discovery process.</i>                                                                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>• Proprietary Orders</li> </ul>                                                                                 | <i>Identify if this order is a “<b>Proprietary Order</b>” (as used in the SFC Code) and, if so, provide sufficient information to enable the OCs to assess whether such order may negatively impact the price discovery process.</i>                                                                                                                                                                                                                                                                                                               |
| <ul style="list-style-type: none"> <li>• Duplicated Orders (i.e. two Or more corresponding or identical orders placed via two or more CMIs)</li> </ul> | <i>If the prospective investor has placed an/any order(s) via other CMIs in the relevant CMI Offering, identify if this order is (i) a separate/unique order or (ii) a duplicated order.</i>                                                                                                                                                                                                                                                                                                                                                       |
| Contact Information of CMI submitting the order:                                                                                                       | <i>Provide 24-hour contact details (telephone and email) of relevant individual(s) who may be contacted in relation to this order.</i>                                                                                                                                                                                                                                                                                                                                                                                                             |

## Singapore

Each Dealer has acknowledged, and each new Dealer appointed under the Programme will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each new Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of

the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

## **PRC**

Each Dealer has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan Region), except as permitted by the securities laws of the People's Republic of China.

## **Republic of Kazakhstan**

Each Dealer has represented and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in Kazakhstan except in compliance with the applicable laws of AIFC and the regulations of the AIX.

The Notes may be offered or sold to Accredited Investor(s) as defined in section 1.1.2(6)(a) of the AIFC AIX Business Rules.

## **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Offering Memorandum.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Memorandum or any other offering material or any set of Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum, any other offering material or any set of Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor.

## GENERAL INFORMATION

1. Application has been made to the Hong Kong Stock Exchange for the listing of the Programme by way of debt issues to Professional Investors only during the 12-month period after the date of this Offering Memorandum. Separate application will be made for the listing of, and permission to deal in, Notes issued under the Programme on the Hong Kong Stock Exchange. The issue price of listed Notes on the Hong Kong Stock Exchange will be expressed as a percentage of their nominal amount.
2. In addition, unless otherwise agreed with the relevant Dealer(s) and provided for in the Pricing Supplement, the Issuer will use its reasonable endeavours to cause all Notes issued by the Issuer under the Programme to be admitted to the AIX, in each case as from (and including) the Issue Date.
3. The establishment of the Programme was authorised by a duly adopted resolution of the board of directors of the Issuer on 10 September 2025.
4. The Issuer may apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be specified in the applicable Pricing Supplement. The Notes to be issued under the Programme have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Pricing Supplement. If the Notes will be cleared through an additional or alternative clearing system, the appropriate information will be specified in the relevant Pricing Supplement.
5. The issue price and the amount of the relevant Notes will be determined based on the prevailing market conditions. The Issuer does not intend to provide any post issuance information in relation to any issues of Notes.
6. There has been no material adverse change in the prospects of the Issuer and the Group, taken as a whole, since 31 December 2024 and there has been no significant change in the financial performance or financial position of the Issuer and the Group, since 31 December 2024.
7. The Issuer's previous independent auditors were Ernst & Young LLP, acting as auditors under licence № 0000003 dated 15 July 2005 issued by the Ministry of Finance of the Republic of Kazakhstan. Ernst & Young LLP is a member of the Chamber of Auditors of Kazakhstan, the professional body which oversees audit firms in Kazakhstan. The Issuer's annual financial statements are prepared in accordance with IFRS. The Issuer's audited financial statements for each of the years ended 31 December 2023 and 2024 were audited by Ernst & Young LLP, which issued reports thereon without qualification. The business address of Ernst & Young LLP is Esentai Tower, 77/7, Al-Farabi Ave., Almaty 050060, Kazakhstan.
8. The Issuer's current independent auditors are PricewaterhouseCoopers LLP, acting as auditors under licence № #0000005 dated 21 October 1999 issued by the Ministry of Finance of the Republic of Kazakhstan. PricewaterhouseCoopers LLP is a member of the Chamber of Auditors of Kazakhstan, the professional body which oversees audit firms in Kazakhstan. The Issuer's interim condensed consolidated financial statements for the six months ended 30 June 2025 were reviewed by PricewaterhouseCoopers LLP, which issued reports on the review thereon without qualification. The business address of PricewaterhouseCoopers LLP is 15/1 Qabanbay Batyr Avenue Q2 Business Center, 4th Floor Astana 010000, Kazakhstan.
9. For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations, of the following documents may be inspected by Noteholders during normal business hours at the specified office of the Paying Agent, namely:
  - the constitutional documents of the Issuer;
  - the annual report and accounts of the Issuer for the financial years ended 31 December 2024 and 2023, including, in each case, the audit report relating to such accounts;

- the most recently publicly available annual report and accounts of the Issuer prepared in accordance with IFRS (published on an annual basis);
- the Agency Agreement;
- the Trust Deed (which contains the forms of the Notes in global and definitive form);
- the Pricing Supplement relating to Notes;
- copies of the documents incorporated by reference into this Offering Memorandum; and
- a copy of this Offering Memorandum, together with any supplements to this Offering Memorandum or any further offering memorandum and any documents incorporated by reference therein.

The constitutional documents of the Issuer will also be available on the website of the Issuer at <http://ir.kmg.kz/>.

In addition, this Offering Memorandum, together with any supplements to this Offering Memorandum, will be published on the website of the HKExnews website established by the Hong Kong Stock Exchange.

10. Any other information on the websites referred to herein does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.



## INDEX TO FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORTS

### **Unaudited Interim Condensed Consolidated Financial Statements of Joint Stock Company "National Company" "KazMunayGas" (also abbreviated as JSC NC “KazMunayGas”) as at and for the three and six months ended 30 June 2025**

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### **Audited Consolidated Financial Statements of Joint Stock Company "National Company" "KazMunayGas" (also abbreviated as JSC NC “KazMunayGas”) as at and for the year ended 31 December 2024**

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### **Audited Consolidated Financial Statements of Joint Stock Company "National Company" "KazMunayGas" (also abbreviated as JSC NC “KazMunayGas”) as at and for the year ended 31 December 2023, which include comparative data as at and for the year ended 31 December 2022**

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*Note:*

The Issuer is referred to as "JSC NC "KazMunayGas"", "JSC "National Company "KazMnayGas"" and "Joint Stock Company "National Company "KazMunayGas"" in certain F-Pages, while the official English name used is "Joint Stock Company "National Company" "KazMunayGas"". The difference is due to minor formatting inconsistencies and does not indicate separate legal entities. Each of "JSC NC "KazMunayGas"", "JSC "National Company "KazMnayGas"" and "Joint Stock Company "National Company "KazMunayGas"" refer to the same entity as the Issuer.

Joint Stock Company “National Company

“**KazMunayGas**”

Interim condensed consolidated financial statements  
For the three and six months ended **June 30, 2025**

**Joint Stock Company “National Company “KazMunayGas”**

Interim condensed consolidated financial statements (unaudited)

*For the three and six months ended June 30, 2025*

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Report on review of interim condensed consolidated financial statements

**Interim condensed consolidated financial statements (unaudited)**

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## Report on Review of Interim Condensed Consolidated Financial Statements

To the Shareholders, Board of Directors and Management of JSC "National Company "KazMunayGas":

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Joint Stock Company "National Company "KazMunayGas" and its subsidiaries (together – the "Group") as at 30 June 2025 and the related interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, interim condensed consolidated statements of cash flows and changes in equity for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

*PricewaterhouseCoopers LLP*

Approved by:

*A. Konratbaev*  
Azamat Konratbaev  
Managing Director  
PricewaterhouseCoopers LLP  
(General State License of the Ministry of  
Finance of the Republic of Kazakhstan  
№00000005 dated 21 October 1999)

Signed by:

*Almaz Sadykov*  
Almaz Sadykov  
Auditor in charge  
(Qualified Auditor's Certificate №МФ-0000745  
dated 8 February 2019)

14 August 2025  
Astana, Kazakhstan

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME**

For the three and six months ended June 30, 2025

| In millions of tenge                                                 | Note | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|----------------------------------------------------------------------|------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                      |      | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <b>Revenue and other income</b>                                      |      |                                        |                     |                                      |                     |
| Revenue from contracts with customers                                | 5    | 2,259,243                              | 2,012,042           | 4,500,494                            | 4,239,360           |
| Share in profit of joint ventures and associates, net                | 6    | 163,344                                | 113,865             | 348,737                              | 268,190             |
| Gain from disposal of subsidiary                                     | 4    | 3,000                                  | –                   | 3,000                                | 16,410              |
| Interest revenue calculated using the effective interest method      | 13   | 50,236                                 | 57,129              | 93,669                               | 96,946              |
| Other finance income                                                 | 13   | 26,060                                 | 51,304              | 27,162                               | 112,871             |
| Other operating income                                               |      | 12,855                                 | 26,234              | 20,246                               | 30,344              |
| <b>Total revenue and other income</b>                                |      | <b>2,514,738</b>                       | <b>2,260,574</b>    | <b>4,993,308</b>                     | <b>4,764,121</b>    |
| <b>Costs and expenses</b>                                            |      |                                        |                     |                                      |                     |
| Cost of purchased oil, gas, petroleum products and other materials   | 7    | (1,210,917)                            | (1,074,329)         | (2,426,770)                          | (2,340,139)         |
| Production expenses                                                  | 8    | (396,630)                              | (310,724)           | (758,776)                            | (638,995)           |
| Taxes other than income tax                                          | 9    | (132,644)                              | (169,049)           | (281,931)                            | (302,448)           |
| Depreciation, depletion and amortization                             |      | (175,086)                              | (160,109)           | (353,002)                            | (322,422)           |
| Transportation and selling expenses                                  | 10   | (74,290)                               | (65,055)            | (145,683)                            | (131,564)           |
| General and administrative expenses                                  | 11   | (48,855)                               | (71,846)            | (94,252)                             | (110,775)           |
| Impairment of property, plant and equipment and exploration expenses | 12   | 3,085                                  | (16,728)            | (19,463)                             | (16,824)            |
| Finance costs                                                        | 13   | (82,290)                               | (92,623)            | (164,013)                            | (167,140)           |
| Foreign exchange gain/(loss), net                                    | 2    | 38,200                                 | 55,858              | (22,728)                             | 39,337              |
| Expected credit losses                                               |      | (4,061)                                | (6,083)             | (3,976)                              | (6,662)             |
| Other expenses                                                       |      | (9,586)                                | (7,806)             | (15,837)                             | (16,372)            |
| <b>Total costs and expenses</b>                                      |      | <b>(2,093,074)</b>                     | <b>(1,918,494)</b>  | <b>(4,286,431)</b>                   | <b>(4,014,004)</b>  |
| <b>Profit before income tax</b>                                      |      | <b>421,664</b>                         | <b>342,080</b>      | <b>706,877</b>                       | <b>750,117</b>      |
| Income tax expenses                                                  | 14   | (79,805)                               | (93,014)            | (172,500)                            | (200,611)           |
| <b>Net profit for the period</b>                                     |      | <b>341,859</b>                         | <b>249,066</b>      | <b>534,377</b>                       | <b>549,506</b>      |

The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME (continued)**

| In millions of tenge                                                                                                    | Note | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                                                                         |      | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <b>Other comprehensive income/(loss)</b>                                                                                |      |                                        |                     |                                      |                     |
| <i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</i>                     |      |                                        |                     |                                      |                     |
| Hedging effect                                                                                                          |      | (5,110)                                | 4,947               | (2,900)                              | 5,101               |
| Exchange differences on translation of foreign operations                                                               |      | 305,258                                | 540,495             | (128,776)                            | 374,680             |
| Net (loss)/gain on hedge of a net investment                                                                            | 20   | (75,248)                               | (137,673)           | 25,671                               | (93,941)            |
| Tax effect                                                                                                              |      | (18,051)                               | (32,392)            | 7,836                                | (21,917)            |
| <b>Net other comprehensive income/(loss) to be reclassified to profit or loss in the subsequent periods, net of tax</b> |      | <b>206,849</b>                         | <b>375,377</b>      | <b>(98,169)</b>                      | <b>263,923</b>      |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>                        |      |                                        |                     |                                      |                     |
| Actuarial gain on defined benefit plans, net of tax                                                                     |      | 780                                    | 536                 | 780                                  | 536                 |
| Actuarial gain on defined benefit plans of the joint ventures, net of tax                                               |      | 541                                    | 54                  | 698                                  | 111                 |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax</b>    |      | <b>1,321</b>                           | <b>590</b>          | <b>1,478</b>                         | <b>647</b>          |
| <b>Net other comprehensive income/(loss) for the period, net of tax</b>                                                 |      | <b>208,170</b>                         | <b>375,967</b>      | <b>(96,691)</b>                      | <b>264,570</b>      |
| <b>Total comprehensive income for the period, net of tax</b>                                                            |      | <b>550,029</b>                         | <b>625,033</b>      | <b>437,686</b>                       | <b>814,076</b>      |
| <b>Net profit/(loss) for the period attributable to:</b>                                                                |      |                                        |                     |                                      |                     |
| Equity holders of the Parent Company                                                                                    |      | 339,471                                | 256,317             | 535,997                              | 557,989             |
| Non-controlling interests                                                                                               |      | 2,388                                  | (7,251)             | (1,620)                              | (8,483)             |
|                                                                                                                         |      | <b>341,859</b>                         | <b>249,066</b>      | <b>534,377</b>                       | <b>549,506</b>      |
| <b>Total comprehensive income/(loss) attributable to:</b>                                                               |      |                                        |                     |                                      |                     |
| Equity holders of the Parent Company                                                                                    |      | 547,424                                | 632,089             | 439,284                              | 822,449             |
| Non-controlling interests                                                                                               |      | 2,605                                  | (7,056)             | (1,598)                              | (8,373)             |
|                                                                                                                         |      | <b>550,029</b>                         | <b>625,033</b>      | <b>437,686</b>                       | <b>814,076</b>      |
| <b>Earnings per share* – tenge thousands</b>                                                                            |      |                                        |                     |                                      |                     |
| Basic and diluted                                                                                                       |      | 0.56                                   | 0.42                | 0.88                                 | 0.91                |

\* The number of ordinary shares as of March 31, 2025, June 30, 2025, March 31, 2024 and June 30, 2024 equaled to 610,119,493.

Deputy Chairman of the Management Board

Chief accountant



The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at June 30, 2025

| <i>In millions of tenge</i>                    | <b>Note</b> | <b>June 30, 2025<br/>(unaudited)</b> | <b>December 31,<br/>2024 (audited)</b> |
|------------------------------------------------|-------------|--------------------------------------|----------------------------------------|
| <b>Assets</b>                                  |             |                                      |                                        |
| <b>Non-current assets</b>                      |             |                                      |                                        |
| Exploration and evaluation assets              |             | 225,423                              | 216,448                                |
| Property, plant and equipment                  | 15          | 7,681,957                            | 7,834,160                              |
| Investment property                            |             | 8,674                                | 12,374                                 |
| Intangible assets                              |             | 919,789                              | 943,156                                |
| Right-of-use assets                            |             | 115,824                              | 122,991                                |
| Investments in joint ventures and associates   | 17          | 5,162,334                            | 5,378,513                              |
| VAT receivable                                 |             | 26,685                               | 30,396                                 |
| Advances for non-current assets                |             | 97,481                               | 88,216                                 |
| Other non-current non-financial assets         |             | 7,621                                | 7,767                                  |
| Loans and receivables due from related parties |             | 158,876                              | 121,673                                |
| Other non-current financial assets             |             | 51,127                               | 48,249                                 |
| Long-term bank deposits                        | 16          | 74,070                               | 74,329                                 |
| Deferred income tax assets                     |             | 42,491                               | 50,705                                 |
|                                                |             | <b>14,572,352</b>                    | <b>14,928,977</b>                      |
| <b>Current assets</b>                          |             |                                      |                                        |
| Inventories                                    |             | 345,082                              | 413,741                                |
| Trade accounts receivable                      | 18          | 720,895                              | 443,057                                |
| VAT receivable                                 |             | 43,323                               | 48,408                                 |
| Income tax prepaid                             |             | 37,526                               | 41,170                                 |
| Other current non-financial assets             | 18          | 192,267                              | 180,754                                |
| Loans and receivables due from related parties |             | 61,808                               | 84,240                                 |
| Other current financial assets                 | 18          | 65,000                               | 63,528                                 |
| Short-term bank deposits                       | 16          | 1,214,486                            | 1,513,816                              |
| Cash and cash equivalents                      | 19          | 1,800,627                            | 1,216,451                              |
|                                                |             | <b>4,481,014</b>                     | <b>4,005,165</b>                       |
| Assets classified as held for sale             |             | 500                                  | 505                                    |
|                                                |             | <b>4,481,514</b>                     | <b>4,005,670</b>                       |
| <b>Total assets</b>                            |             | <b>19,053,866</b>                    | <b>18,934,647</b>                      |

The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(continued)**

| <i>In millions of tenge</i>                                 | <b>Note</b> | <b>June 30, 2025<br/>(unaudited)</b> | <b>December 31,<br/>2024 (audited)</b> |
|-------------------------------------------------------------|-------------|--------------------------------------|----------------------------------------|
| <b>Equity and liabilities</b>                               |             |                                      |                                        |
| <b>Equity</b>                                               |             |                                      |                                        |
| Share capital                                               |             | 916,541                              | 916,541                                |
| Additional paid-in capital                                  |             | 1,142                                | 1,142                                  |
| Other equity                                                |             | (5,273)                              | (2,373)                                |
| Currency translation reserve                                |             | 5,037,577                            | 5,132,868                              |
| Retained earnings                                           |             | 6,219,180                            | 5,985,894                              |
| <b>Attributable to equity holders of the Parent Company</b> |             | <b>12,169,167</b>                    | <b>12,034,072</b>                      |
| Non-controlling interests                                   |             | (115,016)                            | (109,788)                              |
| <b>Total equity</b>                                         |             | <b>12,054,151</b>                    | <b>11,924,284</b>                      |
| <b>Non-current liabilities</b>                              |             |                                      |                                        |
| Borrowings                                                  | 20          | 3,385,569                            | 3,644,111                              |
| Lease liabilities                                           | 21          | 108,953                              | 103,334                                |
| Other non-current financial liabilities                     | 23          | 8,523                                | 7,096                                  |
| Provisions                                                  | 22          | 307,731                              | 308,129                                |
| Employee benefit liabilities                                |             | 76,220                               | 75,999                                 |
| Other non-current non-financial liabilities                 | 23          | 33,963                               | 36,175                                 |
| Deferred income tax liabilities                             |             | 1,340,519                            | 1,391,836                              |
|                                                             |             | <b>5,261,478</b>                     | <b>5,566,680</b>                       |
| <b>Current liabilities</b>                                  |             |                                      |                                        |
| Trade accounts payable                                      | 23          | 595,974                              | 598,787                                |
| Borrowings                                                  | 20          | 506,780                              | 323,290                                |
| Lease liabilities                                           | 21          | 17,780                               | 20,882                                 |
| Other current financial liabilities                         | 23          | 225,990                              | 169,150                                |
| Provisions                                                  | 22          | 22,206                               | 19,524                                 |
| Employee benefit liabilities                                |             | 6,259                                | 6,516                                  |
| Income tax payable                                          |             | 21,938                               | 15,600                                 |
| Other taxes payable                                         | 24          | 168,784                              | 83,631                                 |
| Other current non-financial liabilities                     | 23          | 172,526                              | 206,303                                |
|                                                             |             | <b>1,738,237</b>                     | <b>1,443,683</b>                       |
| <b>Total liabilities</b>                                    |             | <b>6,999,715</b>                     | <b>7,010,363</b>                       |
| <b>Total equity and liabilities</b>                         |             | <b>19,053,866</b>                    | <b>18,934,647</b>                      |
| <b>Book value per ordinary share* – tenge thousands</b>     |             | <b>18.249</b>                        | <b>17.998</b>                          |

\* The number of ordinary shares as of June 30, 2025 and December 31, 2024 equaled to 610,119,493. Book value per ordinary share is a non-IFRS measure, presentation of which required by KASE.

Deputy Chairman of the Management Board

Chief accountant



*D.A. Ayssova*  
**КазМұнайГаз**  
АКЦИОНЕРНОЕ ОБЩЕСТВО «НАЦИОНАЛЬНАЯ КОМПАНИЯ «КАЗМУНАЙГАЗ»

*A.S. Yesbergenova*

The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

|                                                                                                                         |        | For the six months ended<br>June 30, |                     |
|-------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------|---------------------|
|                                                                                                                         | Note   | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                                                                                             |        |                                      |                     |
| <b>Cash flows from operating activities</b>                                                                             |        |                                      |                     |
| <b>Profit before income tax</b>                                                                                         |        | 706,877                              | 750,117             |
| <b>Adjustments:</b>                                                                                                     |        |                                      |                     |
| Depreciation, depletion and amortization                                                                                |        | 353,002                              | 322,422             |
| Impairment of property, plant and equipment and exploration expenses                                                    | 12     | 19,463                               | 16,824              |
| Realized losses/(gains) from derivatives on petroleum products                                                          | 8      | 3,244                                | (4,913)             |
| Interest revenue calculated using the effective interest method                                                         | 13     | (93,669)                             | (96,946)            |
| Other finance income                                                                                                    | 13     | (27,162)                             | (112,871)           |
| Finance costs                                                                                                           | 13     | 164,013                              | 167,140             |
| Share in profit of joint ventures and associates, net                                                                   | 6      | (348,737)                            | (268,190)           |
| Movements in provisions                                                                                                 |        | 5,458                                | 1,257               |
| Net foreign exchange loss/(gain)                                                                                        |        | 22,728                               | (35,308)            |
| Gain from disposal of subsidiary                                                                                        | 4      | (3,000)                              | (16,410)            |
| Recovery of inventories write off to net realizable value                                                               |        | (5,349)                              | (2,708)             |
| Gain on disposal of property, plant and equipment, intangible assets, investment property and assets held for sale, net |        | 722                                  | (6,404)             |
| Expected credit loss                                                                                                    |        | 3,976                                | 6,662               |
| Other adjustments                                                                                                       |        | 8,805                                | 648                 |
| <b>Operating profit before working capital changes</b>                                                                  |        | 810,371                              | 721,320             |
| Change in VAT receivable                                                                                                |        | 362                                  | 24,121              |
| Change in inventory                                                                                                     |        | 56,620                               | 17,501              |
| Change in trade accounts receivable and other current assets                                                            |        | (298,666)                            | (41,237)            |
| Change in trade and other payables and contract liabilities                                                             |        | (18,399)                             | (19,109)            |
| Change in other taxes payable                                                                                           |        | 84,707                               | (27,567)            |
| <b>Cash generated from operating activities</b>                                                                         |        | 634,995                              | 675,029             |
| Dividends received from joint ventures and associates                                                                   | 17     | 474,356                              | 309,547             |
| Income taxes paid                                                                                                       |        | (119,771)                            | (65,508)            |
| Interest received                                                                                                       |        | 90,344                               | 66,524              |
| Interest paid                                                                                                           | 20, 21 | (135,939)                            | (112,159)           |
| <b>Net cash flow from operating activities</b>                                                                          |        | 943,985                              | 873,433             |

The accounting policies and explanatory notes on pages 9 through 40 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

| In millions of tenge                                                                                            | Note | For the six months ended<br>June 30, |                     |
|-----------------------------------------------------------------------------------------------------------------|------|--------------------------------------|---------------------|
|                                                                                                                 |      | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <b>Cash flows from investing activities</b>                                                                     |      |                                      |                     |
| Placement of bank deposits                                                                                      |      | (1,256,141)                          | (607,484)           |
| Withdrawal of bank deposits                                                                                     |      | 1,528,055                            | 950,803             |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets              |      | (262,229)                            | (269,532)           |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale |      | 4,266                                | 718                 |
| Additional contributions to joint ventures without changes in ownership                                         | 17   | (30,967)                             | (11,851)            |
| Deferred consideration paid for the acquisition of subsidiary                                                   |      | -                                    | (1,520)             |
| Proceeds from disposal of share in joint venture without losing joint control                                   |      | -                                    | 4,465               |
| Proceeds from disposal of subsidiaries, net of cash disposed                                                    | 4    | 1,163                                | 8,010               |
| Loans given to related parties                                                                                  |      | (20,898)                             | (25,620)            |
| Repayment of loans due from related parties                                                                     |      | 610                                  | 31,441              |
| Proceeds from sale of notes of the National Bank of RK                                                          | 25   | 269,686                              | 183,763             |
| Acquisition of notes of the National Bank of RK                                                                 | 25   | (255,895)                            | (174,725)           |
| Proceeds from bonds redemption of Samruk-Kazyna                                                                 |      | 10,000                               | -                   |
| Acquisition of bonds of Samruk-Kazyna                                                                           |      | (10,000)                             | -                   |
| Other                                                                                                           |      | (2,998)                              | 1,884               |
| <b>Net cash flows (used in)/from investing activities</b>                                                       |      | <b>(25,348)</b>                      | <b>90,352</b>       |
| <b>Cash flows from financing activities</b>                                                                     |      |                                      |                     |
| Proceeds from borrowings                                                                                        | 20   | 211,817                              | 105,140             |
| Repayment of borrowings                                                                                         | 20   | (251,990)                            | (171,232)           |
| Dividends paid to shareholders                                                                                  | 25   | (300,002)                            | (300,002)           |
| Dividends paid to non-controlling interests                                                                     |      | (3,311)                              | (2,509)             |
| Distributions to Samruk-Kazyna                                                                                  |      | (3)                                  | (57)                |
| Proceeds from the repo agreements                                                                               |      | 30,739                               | 22,074              |
| Repayment of the repo agreements                                                                                |      | -                                    | (22,074)            |
| Other operations                                                                                                |      | (4,292)                              | -                   |
| Repayment of principal portion of lease liabilities                                                             | 21   | (15,103)                             | (14,861)            |
| Other                                                                                                           |      | (48)                                 | -                   |
| <b>Net cash flows used in financing activities</b>                                                              |      | <b>(332,193)</b>                     | <b>(383,521)</b>    |
| Effects of exchange rate changes on cash and cash equivalents                                                   |      | (2,273)                              | 60,690              |
| Change in allowance for expected credit losses                                                                  |      | 5                                    | (18)                |
| <b>Net change in cash and cash equivalents</b>                                                                  |      | <b>584,176</b>                       | <b>640,936</b>      |
| Cash and cash equivalents, at the beginning of the period                                                       |      | 1,216,451                            | 1,050,873           |
| <b>Cash and cash equivalents, at the end of the period</b>                                                      |      | <b>1,800,627</b>                     | <b>1,691,809</b>    |

Deputy Chairman of the Management Board

Chief accountant



The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six months ended June 30, 2025

| In millions of tenge                      | Attributable to equity holders of the Parent Company |                            |              |                              |                   |                           |
|-------------------------------------------|------------------------------------------------------|----------------------------|--------------|------------------------------|-------------------|---------------------------|
|                                           | Share capital                                        | Additional paid-in capital | Other equity | Currency translation reserve | Retained earnings | Non-controlling interests |
| <b>As at December 31, 2023 (audited)*</b> | 916,541                                              | 1,142                      | (910)        | 4,090,281                    | 5,488,964         | 10,496,018                |
| Net profit/(loss) for the period          | -                                                    | -                          | -            | -                            | 557,989           | 557,989                   |
| Other comprehensive income                | -                                                    | -                          | 5,101        | 258,712                      | 647               | 264,460                   |
| <b>Total comprehensive income/(loss)</b>  | -                                                    | -                          | 5,101        | 258,712                      | 558,636           | 822,449                   |
| Dividends (Note 25)                       | -                                                    | -                          | -            | -                            | (300,002)         | (300,002)                 |
| Distributions to Samruk-Kazyna            | -                                                    | -                          | -            | -                            | (9)               | (9)                       |
| Other operations                          | -                                                    | -                          | -            | -                            | (2,026)           | (2,026)                   |
| Transactions with Samruk-Kazyna (Note 25) | -                                                    | -                          | -            | -                            | (293,288)         | (293,288)                 |
| <b>As at June 30, 2024 (unaudited)*</b>   | 916,541                                              | 1,142                      | 4,191        | 4,348,993                    | 5,452,275         | 10,723,142                |
|                                           |                                                      |                            |              |                              | (110,583)         | 10,612,559                |

\* Certain numbers shown here do not correspond to interim condensed consolidated financial statements for the three and six months ended June 30, 2024 and reflect adjustments made, refer to Note 15.

The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

| <i>In millions of tenge</i>              | Attributable to equity holders of the Parent Company |                            |                |                              |                   | Non-controlling interests | Total             |
|------------------------------------------|------------------------------------------------------|----------------------------|----------------|------------------------------|-------------------|---------------------------|-------------------|
|                                          | Share capital                                        | Additional paid-in capital | Other equity   | Currency translation reserve | Retained earnings |                           |                   |
| <b>As at December 31, 2024 (audited)</b> | <b>916,541</b>                                       | <b>1,142</b>               | <b>(2,373)</b> | <b>5,132,868</b>             | <b>5,985,894</b>  | <b>(109,788)</b>          | <b>11,924,284</b> |
| Net profit/(loss) for the period         | -                                                    | -                          | -              | -                            | 535,997           | (1,620)                   | 534,377           |
| Other comprehensive (loss)/income        | -                                                    | -                          | (2,900)        | (95,291)                     | 1,478             | 22                        | (96,691)          |
| <b>Total comprehensive income/(loss)</b> | <b>-</b>                                             | <b>-</b>                   | <b>(2,900)</b> | <b>(95,291)</b>              | <b>537,475</b>    | <b>(1,598)</b>            | <b>437,686</b>    |
| Dividends (Note 25)                      | -                                                    | -                          | -              | -                            | (300,002)         | (3,630)                   | (303,632)         |
| Distributions to Samruk-Kazyna           | -                                                    | -                          | -              | -                            | (4,187)           | -                         | (4,187)           |
| <b>As at June 30, 2025 (unaudited)</b>   | <b>916,541</b>                                       | <b>1,142</b>               | <b>(5,273)</b> | <b>5,037,577</b>             | <b>6,219,180</b>  | <b>(115,016)</b>          | <b>12,054,151</b> |

Deputy Chairman of the Management Board

Chief accountant



A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 42 form an integral part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited)****1. GENERAL**

Joint stock company “National Company “KazMunayGas” (further the Company, JSC NC “KazMunayGas” or Parent Company) is oil and gas enterprise of the Republic of Kazakhstan (further RK), which was established on February 27, 2002 as a closed joint stock company pursuant to the Decree No. 811 of the President of the RK dated February 20, 2002 and the resolution of the Government of the RK (further the Government) No. 248 dated February 25, 2002. The Company was formed as a result of the merger of closed joint stock companies “National Oil and Gas Company KazakhOil” and “National Company Transport Nefti i Gaza”. As the result of the merger, all assets and liabilities, including ownership interest in all entities owned by these companies, have been transferred to the Company. The Company was reregistered as a joint stock company in accordance with the legislation of the RK in March 2004.

Starting from June 8, 2006, the sole shareholder of the Company was joint stock company “Kazakhstan Holding Company for State Assets Management “Samruk”, which in October 2008 was merged with the state-owned Sustainable Development Fund “Kazyna” and formed joint stock company “National Welfare Fund Samruk-Kazyna”, now renamed to joint stock company “Sovereign Wealth Fund Samruk-Kazyna” (further Samruk-Kazyna). The Government is the sole shareholder of Samruk-Kazyna.

On August 7, 2015, the National Bank of RK purchased 9.58% plus one share of the Company from Samruk-Kazyna. From December 8, 2022, 3.00% of shares of the Company are freely available on the Astana International Exchange (further AIX) and the Kazakhstan Stock Exchange (further KASE) stock exchanges. On December 22, 2023, 20.00% of the Company’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the Republic of Kazakhstan.

As at June 30, 2025, the Company has controlling interest in 40 companies (as of December 31, 2024: 41 companies), joint control over 21 companies (as of December 31, 2024: 20 companies) and significant influence on 3 companies (as of December 31, 2024: 3 companies) (jointly “the Group”).

The Company has its registered office in the RK, Astana, Dinmukhamed Kunayev, 8.

The principal activity of the Group includes, but is not limited, to the following:

- Participation in the development and implementation of the uniform public policy in the oil and gas sector;
- Representation of the state interests in subsoil use contracts through interest participation in those contracts; and
- Exploration, development, production, oil servicing, processing, petrochemistry, transportation and sale of hydrocarbons and the designing, construction and maintenance of oil pipeline and field infrastructure.

The interim condensed consolidated financial statements comprise the financial statements of the Company, its controlled subsidiaries and Company’s share in results of joint ventures and associates.

These interim condensed consolidated financial statements of the Group were approved for issue by the Deputy Chairman of the Management Board and the Chief accountant on 14 August 2025.

**2. BASIS OF PREPARATION**

The interim condensed consolidated financial statements for the three and six months ended June 30, 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The Group has prepared these interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern. The Management of the Group consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended December 31, 2024.

**Foreign currency translation***Functional and presentation currency*

Items included in the financial statements of each of the Group’s entities included in these interim condensed consolidated financial statements are measured using the currency of the primary economic environment in which the entities operate (further the functional currency). The interim condensed consolidated financial statements are presented in Kazakhstani tenge (further tenge or KZT), which is the Company’s functional and presentation currency.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 2. BASIS OF PREPARATION (continued)

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

#### *Group Companies*

The results and financial position of all of the Group's subsidiaries, joint ventures and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

#### *Exchange rates*

Weighted average currency exchange rates established by KASE are used as official currency exchange rates in the RK. The currency exchange rate of KASE as at June 30, 2025 and December 31, 2024 were 519.64 and 525.11 tenge to 1 United States dollar (further US dollar), respectively. These rates were used to translate monetary assets and liabilities denominated in US dollar as at June 30, 2025 and December 31, 2024. The weighted average rate for six months ended June 30, 2025 was 512.05 tenge to 1 US dollar (for the six months ended June 30, 2024: 449.09 tenge to 1 US dollar). The currency exchange rate of KASE as at August 14, 2025 was 538.1 tenge to 1 US dollar. For the six months ended June 30, 2025, the Group had net foreign exchange loss of 22,728 million tenge due to fluctuations in foreign exchange rates to tenge.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

#### **Changes in accounting policies and disclosures**

##### *New and amended standards and interpretations*

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024.

Several new standards and interpretations have been published, which are mandatory for periods beginning on or after January 1, 2025, and which the Group has not adopted early.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB).

The adoption of new standards and interpretations effective as of January 1, 2025 has not material impact on the Group.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 4. LOSS OF CONTROL

#### *Polimer Production LLP (further - Polimer)*

On March 17, 2025, the Company and Sibur Holding PJSC signed a purchase and sale agreement for a 60% share of Polimer, subsidiary of the Company. On April 4, 2025, Polimer was re-registered. As a result, the Group lost control over Polimer and retained 40% interest.

The sale price of a 60% share in Polimer was 1,188 million tenge.

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 792 million tenge at the date of loss of control.

The Company and Sibur Holding PJSC have joint control over the Polimer where decisions about the relevant activities of Polimer require unanimous consent.

The net cash flows incurred by Polimer for the period from January 1, 2025 through the date of loss of control are as follows:

*In millions of tenge*

|                                                  |              |
|--------------------------------------------------|--------------|
| Operating                                        | (510)        |
| Investing                                        | (37)         |
| Financing                                        | 356          |
| <b>Net decrease in cash and cash equivalents</b> | <b>(191)</b> |

At the date of loss of control net liabilities of Polimer were as follows:

*In millions of tenge*

|                                                                    |                |
|--------------------------------------------------------------------|----------------|
| <b>Assets</b>                                                      |                |
| Property, plant and equipment (Note 15)                            | 974            |
| Inventories                                                        | 769            |
| Other assets                                                       | 86             |
| Cash and cash equivalents                                          | 25             |
| <b>Total assets</b>                                                | <b>1,854</b>   |
| <b>Liabilities</b>                                                 |                |
| Trade accounts payable                                             | 82             |
| Other current liabilities                                          | 2,792          |
| <b>Total liabilities</b>                                           | <b>2,874</b>   |
| <b>Net liabilities directly associated with the disposal group</b> | <b>(1,020)</b> |
| Cash consideration received at the date of disposal of subsidiary  | 1,188          |
| Fair value of 40% retained interest in a joint venture *           | 792            |
| <b>Gain from disposal of subsidiary</b>                            | <b>3,000</b>   |

\* The Group recognized 40% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Polimer.

The business of Polimer represented in the Group's Other segment.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 4. LOSS OF CONTROL (continued)

#### *Karaton Operating Ltd. (further Karaton)*

On February 21, 2024, the Company and Tatneft PJSC signed a purchase and sale agreement for a 50% share of Karaton, subsidiary of the Company, holder of a contract for the production of hydrocarbons at Karaton subsoil blocks located in Atyrau region. As a result on February 21, 2024, the Group lost control over Karaton.

The sale price of a 50% share in Karaton was 18.2 million US dollars (equivalent to 8,255 million tenge at the date of disposal of subsidiary).

On March 13, 2024, Tatneft PJSC made a payment of cash consideration in the amount of 18.2 million US dollars (equivalent to 8,188 million tenge at the date of payment).

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 8,255 million tenge at the date of loss of control.

The Company and Tatneft PJSC have joint control over the Karaton where decisions about the relevant activities of Karaton require unanimous consent.

The net cash flows incurred by Karaton for the period from January 1, 2024 through the date of loss of control are as follows:

*In millions of tenge*

|                                                  |              |
|--------------------------------------------------|--------------|
| Investing                                        | (118)        |
| <b>Net decrease in cash and cash equivalents</b> | <b>(118)</b> |

At the date of loss of control net assets of Karaton were as follows:

*In millions of tenge*

|                                                                   |               |
|-------------------------------------------------------------------|---------------|
| <b>Assets</b>                                                     |               |
| Exploration and evaluation assets                                 | 291           |
| Property, plant and equipment (Note 15)                           | 28            |
| Other assets                                                      | 21            |
| Cash and cash equivalents                                         | 178           |
| <b>Total assets</b>                                               | <b>518</b>    |
| <b>Liabilities</b>                                                |               |
| Trade accounts payable                                            | 5             |
| Other current liabilities                                         | 413           |
| <b>Total liabilities</b>                                          | <b>418</b>    |
| <b>Net assets directly associated with the disposal group</b>     | <b>100</b>    |
| Cash consideration received at the date of disposal of subsidiary | 8,255         |
| Fair value of 50% retained interest in a joint venture *          | 8,255         |
| <b>Gain from disposal of subsidiary</b>                           | <b>16,410</b> |

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Karaton.

The business of Karaton represented in the Group's Exploration and production of oil and gas segment.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 5. REVENUE FROM CONTRACTS WITH CUSTOMERS

|                                      | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|--------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                      | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>          |                                        |                     |                                      |                     |
| <b>Type of goods and services</b>    |                                        |                     |                                      |                     |
| Sales of crude oil and gas           | 1,125,537                              | 1,198,370           | 2,375,124                            | 2,603,994           |
| Sales of refined products            | 875,201                                | 578,855             | 1,630,803                            | 1,192,890           |
| Refining of oil and oil products     | 60,300                                 | 69,647              | 125,193                              | 128,909             |
| Oil transportation services          | 63,256                                 | 58,334              | 120,412                              | 119,166             |
| Other revenue                        | 134,949                                | 106,836             | 248,962                              | 194,401             |
|                                      | <b>2,259,243</b>                       | <b>2,012,042</b>    | <b>4,500,494</b>                     | <b>4,239,360</b>    |
| <b>Geographical markets</b>          |                                        |                     |                                      |                     |
| UAE                                  | 564,243                                | 463,966             | 1,135,446                            | 976,974             |
| Kazakhstan                           | 503,263                                | 395,888             | 934,740                              | 769,840             |
| Switzerland                          | 362,575                                | 469,753             | 814,428                              | 1,001,567           |
| Romania                              | 352,391                                | 279,193             | 643,824                              | 540,244             |
| The Netherlands                      | 135,687                                | 208,321             | 344,999                              | 450,092             |
| Other countries                      | 341,084                                | 194,921             | 627,057                              | 500,643             |
|                                      | <b>2,259,243</b>                       | <b>2,012,042</b>    | <b>4,500,494</b>                     | <b>4,239,360</b>    |
| <b>Timing of revenue recognition</b> |                                        |                     |                                      |                     |
| At a point in time                   | 2,182,746                              | 1,955,084           | 4,366,995                            | 4,134,688           |
| Over time                            | 76,497                                 | 56,958              | 133,499                              | 104,672             |
|                                      | <b>2,259,243</b>                       | <b>2,012,042</b>    | <b>4,500,494</b>                     | <b>4,239,360</b>    |

For six months ended June 30, 2025, two major customers of the Group, BGN INT DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise up to 39% of total revenues of the Group (for six months ended June 30, 2024, two major customers of the Group, PETRACO ENERGIES DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise up to 39% of total revenues of the Group).

### 6. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET

|                                        | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|----------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                        | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>            |                                        |                     |                                      |                     |
| <b>Joint ventures</b>                  |                                        |                     |                                      |                     |
| Tengizchevroil LLP                     | 69,094                                 | 53,182              | 160,192                              | 140,833             |
| Mangistau Investments B.V. Group (MMG) | 15,350                                 | 8,507               | 35,220                               | 18,211              |
| KC Energy Group LLP *                  | 20,102                                 | —                   | 35,002                               | —                   |
| Valsera Holdings B.V. Group (PKOP)     | 1,979                                  | (4,672)             | 11,687                               | (30)                |
| KazGerMunay LLP                        | 5,321                                  | 6,267               | 10,271                               | 12,436              |
| Kazakhstan – China Pipeline LLP        | 4,064                                  | 5,020               | 9,193                                | 9,850               |
| Ural Group Limited                     | 2,381                                  | (1,900)             | 3,083                                | (3,055)             |
| KazRosGas LLP                          | 5,645                                  | 7,524               | 1,329                                | 4,411               |
| Kazakhoil-Aktobe LLP                   | (1,040)                                | 1,159               | 426                                  | 3,209               |
| PETROSUN LLP *                         | 180                                    | 10,734              | 265                                  | 20,539              |
| Other                                  | (1,979)                                | (3,899)             | (2,942)                              | (3,342)             |
|                                        | <b>121,097</b>                         | <b>81,922</b>       | <b>263,726</b>                       | <b>203,062</b>      |
| <b>Associates</b>                      |                                        |                     |                                      |                     |
| Caspian Pipeline Consortium            | 38,002                                 | 27,414              | 78,600                               | 57,765              |
| PetroKazakhstan Inc.                   | 3,617                                  | 5,209               | 5,463                                | 7,556               |
| Other                                  | 628                                    | (680)               | 948                                  | (193)               |
|                                        | <b>42,247</b>                          | <b>31,943</b>       | <b>85,011</b>                        | <b>65,128</b>       |
|                                        | <b>163,344</b>                         | <b>113,865</b>      | <b>348,737</b>                       | <b>268,190</b>      |

\* KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. It is planned that the activities of PETROSUN LLP will be gradually transferred to KC Energy Group LLP.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 7. COST OF PURCHASED OIL, GAS, PETROLEUM PRODUCTS AND OTHER MATERIALS

|                                         | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-----------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                         | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>             |                                        |                     |                                      |                     |
| Purchased oil for resale                | 847,732                                | 832,024             | 1,810,780                            | 1,852,892           |
| Cost of oil for refining                | 189,937                                | 42,121              | 333,191                              | 130,082             |
| Materials and supplies                  | 164,907                                | 162,421             | 263,528                              | 309,157             |
| Purchased petroleum products for resale | 8,341                                  | 37,763              | 19,271                               | 48,008              |
|                                         | <b>1,210,917</b>                       | <b>1,074,329</b>    | <b>2,426,770</b>                     | <b>2,340,139</b>    |

### 8. PRODUCTION EXPENSES

|                                                                          | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|--------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                          | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                                              |                                        |                     |                                      |                     |
| Payroll                                                                  | 162,885                                | 145,121             | 313,700                              | 286,100             |
| Repair and maintenance                                                   | 76,572                                 | 52,313              | 136,917                              | 96,655              |
| Energy                                                                   | 43,237                                 | 25,463              | 83,020                               | 54,458              |
| Transportation costs                                                     | 33,051                                 | 35,127              | 62,282                               | 77,256              |
| Tanker chartering                                                        | 13,833                                 | 21,552              | 32,848                               | 49,142              |
| Change in finished goods and work-in-progress                            | 15,908                                 | (7,176)             | 32,419                               | 290                 |
| Social contributions                                                     | 5,609                                  | 5,280               | 11,001                               | 10,457              |
| Environmental protection                                                 | 5,207                                  | 1,264               | 8,835                                | 2,027               |
| Security expenses                                                        | 4,387                                  | 3,857               | 8,707                                | 7,793               |
| Lease expenses                                                           | 1,793                                  | 1,490               | 3,360                                | 3,007               |
| Realized losses/(gains) from derivatives on petroleum products           | 2,120                                  | (4,744)             | 3,244                                | (4,913)             |
| (Recovery of write off)/write off of inventories to net realizable value | (2,894)                                | 4,039               | (5,565)                              | 39                  |
| Others                                                                   | 34,922                                 | 27,138              | 68,008                               | 56,684              |
|                                                                          | <b>396,630</b>                         | <b>310,724</b>      | <b>758,776</b>                       | <b>638,995</b>      |

### 9. TAXES OTHER THAN INCOME TAX

|                              | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                              | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>  |                                        |                     |                                      |                     |
| Excise                       | 35,969                                 | 29,215              | 70,842                               | 60,012              |
| Rent tax on crude oil export | 24,759                                 | 45,238              | 55,657                               | 68,196              |
| Export customs duty          | 27,023                                 | 32,962              | 54,149                               | 56,517              |
| Mineral extraction tax       | 15,598                                 | 38,939              | 41,873                               | 72,371              |
| Social tax                   | 14,163                                 | 12,137              | 28,857                               | 24,483              |
| Property tax                 | 8,542                                  | 8,381               | 16,410                               | 16,445              |
| Turnover tax*                | 3,688                                  | —                   | 7,890                                | —                   |
| Other taxes                  | 2,902                                  | 2,177               | 6,253                                | 4,424               |
|                              | <b>132,644</b>                         | <b>169,049</b>      | <b>281,931</b>                       | <b>302,448</b>      |

\* As per Law no 296/2023 of Romania, the companies in the oil and gas sector with turnover of more than 50 million Euro have to pay an additional 0.5% turnover tax to the corporate income tax for 2024-2025.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 10. TRANSPORTATION AND SELLING EXPENSES

|                             | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|-----------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                             | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i> |                                        |                     |                                      |                     |
| Transportation              | 51,639                                 | 48,989              | 106,060                              | 100,099             |
| Payroll                     | 5,795                                  | 5,297               | 11,381                               | 10,379              |
| Third party services        | 4,960                                  | 3,506               | 7,529                                | 6,171               |
| Maintenance                 | 2,660                                  | 1,994               | 5,174                                | 4,183               |
| Other                       | 9,236                                  | 5,269               | 15,539                               | 10,732              |
|                             | 74,290                                 | 65,055              | 145,683                              | 131,564             |

### 11. GENERAL AND ADMINISTRATIVE EXPENSES

|                                                    | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|----------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                    | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                        |                                        |                     |                                      |                     |
| Payroll                                            | 21,971                                 | 22,236              | 43,280                               | 42,454              |
| Consulting services                                | 1,482                                  | 3,146               | 5,934                                | 5,784               |
| VAT that could not be offset                       | 2,229                                  | 624                 | 4,470                                | 1,001               |
| Social payments                                    | 2,272                                  | 1,128               | 4,423                                | 2,558               |
| Maintenance                                        | 1,699                                  | 2,150               | 3,986                                | 4,038               |
| Accrual/(reversal) of impairment of VAT receivable | 1,135                                  | -                   | 3,759                                | (620)               |
| Communication                                      | 206                                    | 560                 | 424                                  | 1,092               |
| Expenses for trust management                      | -                                      | 20,952              | -                                    | 20,952              |
| Other                                              | 17,861                                 | 21,050              | 27,976                               | 33,516              |
|                                                    | 48,855                                 | 71,846              | 94,252                               | 110,775             |

For the six months ended June 30, 2025, the total payroll amounted to 368,361 million tenge (for the six months ended June 30, 2024: 338,933 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in the interim condensed consolidated financial statements.

For the six months ended 30 June 2024, the Group recognized remuneration to JSC NC QazaqGaz, a subsidiary of Samruk-Kazyna, for the services of trust management of a 50% interest in KazRosGaz LLP, a joint venture, in the amount of 20,952 million tenge as expenses for trust management in these interim condensed consolidated financial statements.

### 12. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND EXPLORATION EXPENSES

|                                                   | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|---------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                   | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                       |                                        |                     |                                      |                     |
| (Reversal of impairment charge)/Impairment charge |                                        |                     |                                      |                     |
| Property, plant and equipment (Note 15)           | (3,486)                                | 15,243              | 18,779                               | 15,251              |
| Intangible assets                                 | 120                                    | -                   | 120                                  | -                   |
| Exploration expenses                              | 281                                    | 1,485               | 564                                  | 1,573               |
|                                                   | (3,085)                                | 16,728              | 19,463                               | 16,824              |

#### Impairment of property, plant and equipment

As part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, in 2023 Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group estimates that the recoverable amount of this property is nil and, accordingly, as at 30 June 2025, recognized an impairment charge for construction costs incurred for the six months ended June 30, 2025, in the amount of 20,605 million tenge.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 13. INTEREST REVENUE, OTHER FINANCE INCOME / FINANCE COST

Interest revenue calculated using the effective interest method

|                                                                     | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|---------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                     | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                                         |                                        |                     |                                      |                     |
| Interest income on bank deposits, financial assets, loans and bonds | 49,936                                 | 56,927              | 93,092                               | 95,682              |
| Amortization of issued financial guarantees                         | 300                                    | 202                 | 577                                  | 1,264               |
|                                                                     | 50,236                                 | 57,129              | 93,669                               | 96,946              |

#### Other finance income

|                                                                                                        | For the three months ended June<br>30, |                     | For the six months ended<br>June 30, |                     |
|--------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                                                        | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                                                                            |                                        |                     |                                      |                     |
| Derecognition of borrowings (Note 20)                                                                  | 24,405                                 | 47,911              | 24,405                               | 47,911              |
| Revaluation of financial assets at fair value through profit or loss                                   | 771                                    | 3,209               | 1,023                                | 4,829               |
| Recognition of a change in the fair value of a financial instrument due to its derecognition (Note 20) | -                                      | -                   | -                                    | 59,769              |
| Other                                                                                                  | 884                                    | 184                 | 1,734                                | 362                 |
|                                                                                                        | 26,060                                 | 51,304              | 27,162                               | 112,871             |

#### Finance costs

|                                                                                                                    | For the three months ended<br>June 30, |                     | For the six months ended<br>June 30, |                     |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                                                                                    | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <i>In millions of tenge</i>                                                                                        |                                        |                     |                                      |                     |
| Interest expense on loans and bonds (Note 20)                                                                      | 69,641                                 | 70,836              | 139,510                              | 133,327             |
| Interest expense on lease liabilities (Note 21)                                                                    | 2,356                                  | 2,059               | 4,618                                | 4,121               |
| <b>Interest expense</b>                                                                                            | <b>71,997</b>                          | <b>72,895</b>       | <b>144,128</b>                       | <b>137,448</b>      |
| Unwinding of discount on asset retirement obligations, for environmental obligation and other provisions (Note 22) | 5,350                                  | 5,038               | 10,163                               | 9,400               |
| Unwinding of discount on employee benefits obligations                                                             | 1,917                                  | 1,830               | 3,306                                | 3,191               |
| Discount on long-term accounts receivable                                                                          | -                                      | 8,741               | -                                    | 8,741               |
| Other                                                                                                              | 3,026                                  | 4,119               | 6,416                                | 8,360               |
|                                                                                                                    | 82,290                                 | 92,623              | 164,013                              | 167,140             |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 14. INCOME TAX EXPENSES

| <i>In millions of tenge</i>                      | For the three months<br>ended June 30, |                     | For the six months<br>ended June 30, |                     |
|--------------------------------------------------|----------------------------------------|---------------------|--------------------------------------|---------------------|
|                                                  | 2025<br>(unaudited)                    | 2024<br>(unaudited) | 2025<br>(unaudited)                  | 2024<br>(unaudited) |
| <b>Current income tax</b>                        |                                        |                     |                                      |                     |
| Corporate income tax                             | 57,045                                 | 35,997              | 134,608                              | 70,361              |
| Withholding tax on dividends and interest income | 42,028                                 | 26,395              | 64,973                               | 33,475              |
| Alternative mineral extraction tax               | 1,120                                  | 330                 | 1,120                                | 330                 |
| Excess profit tax                                | 235                                    | 151                 | 235                                  | 151                 |
| <b>Deferred income tax</b>                       |                                        |                     |                                      |                     |
| Corporate income tax                             | 4,907                                  | 37,426              | 1,826                                | 92,638              |
| Alternative mineral extraction tax               | 4,060                                  | 10,025              | 4,060                                | 10,025              |
| Withholding tax on dividends                     | (29,590)                               | (17,310)            | (34,322)                             | (6,369)             |
| <b>Income tax expenses</b>                       | <b>79,805</b>                          | <b>93,014</b>       | <b>172,500</b>                       | <b>200,611</b>      |

Interim period income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate applied for the six months ended June 30, 2025 is 24% (the estimated tax rate for the six months ended June 30, 2024 was 27%). The decrease in the rate is primarily attributable to the impact of carried forward tax losses reflected in temporary differences and the effect of permanent differences during the reporting period.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

## 15. PROPERTY, PLANT AND EQUIPMENT

| In millions of tenge                                   | Oil and gas assets | Pipelines      | Refinery assets  | Buildings and improvements | Machinery and equipment | Vehicles      | Other          | Construction in progress | Total            |
|--------------------------------------------------------|--------------------|----------------|------------------|----------------------------|-------------------------|---------------|----------------|--------------------------|------------------|
| <b>Net book value as at January 1, 2024 (audited)</b>  | <b>4,647,662</b>   | <b>261,762</b> | <b>1,008,653</b> | <b>243,107</b>             | <b>375,432</b>          | <b>78,095</b> | <b>114,411</b> | <b>442,120</b>           | <b>7,171,242</b> |
| Foreign currency translation                           | 136,407            | 1,507          | 10,160           | 2,627                      | 2,002                   | 916           | 2,961          | 7,304                    | 163,884          |
| Change in estimate for asset retirement obligations    | (9,951)            | (858)          | 5,070            | (380)                      | (8)                     | -             | -              | -                        | (6,127)          |
| Additions                                              | 14,967             | 6              | 56,773           | 262                        | 2,393                   | 3,760         | 1,159          | 187,117                  | 266,437          |
| Disposals, net                                         | (519)              | -              | (1)              | (59)                       | (19)                    | (18)          | (132)          | (315)                    | (1,063)          |
| Depreciation charge                                    | (196,838)          | (5,309)        | (50,654)         | (8,082)                    | (15,583)                | (6,630)       | (5,184)        | -                        | (288,280)        |
| Loss of control over subsidiary (Note 4)               | -                  | -              | -                | -                          | -                       | -             | (28)           | -                        | (28)             |
| Reversal of impairment/(impairment) (Note 12)          | -                  | -              | -                | -                          | 1                       | 1             | 3              | (15,256)                 | (15,251)         |
| Transfers from investment property                     | -                  | -              | -                | 74                         | -                       | -             | -              | -                        | 74               |
| Other changes                                          | (241)              | (4)            | -                | 1                          | 21                      | -             | 441            | 699                      | 917              |
| Transfers                                              | 68,899             | 9              | 20,014           | 20,452                     | 10,869                  | 1,548         | 2,025          | (123,816)                | -                |
| <b>Net book value as at June 30, 2024 (unaudited)</b>  | <b>4,660,386</b>   | <b>257,113</b> | <b>1,050,015</b> | <b>258,002</b>             | <b>375,108</b>          | <b>77,672</b> | <b>115,656</b> | <b>497,853</b>           | <b>7,291,805</b> |
| At cost                                                | 7,790,040          | 419,381        | 2,995,914        | 642,649                    | 799,094                 | 241,007       | 270,216        | 584,530                  | 13,742,831       |
| Accumulated depreciation and impairment                | (3,129,654)        | (162,268)      | (1,945,899)      | (384,647)                  | (423,986)               | (163,335)     | (154,560)      | (86,677)                 | (6,451,026)      |
| <b>Net book value as at June 30, 2024 (unaudited)*</b> | <b>4,660,386</b>   | <b>257,113</b> | <b>1,050,015</b> | <b>258,002</b>             | <b>375,108</b>          | <b>77,672</b> | <b>115,656</b> | <b>497,853</b>           | <b>7,291,805</b> |

\* Certain numbers shown here do not correspond to interim condensed consolidated financial statements for the three and six months ended June 30, 2024 and reflect adjustments made due to acquisition of Dunga Operating GmbH in 2023. Detailed information on acquisition of Dunga Operating GmbH is presented in the Group's annual consolidated financial statements for the year ended December 31, 2024.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****15. PROPERTY, PLANT AND EQUIPMENT (continued)**

| <i>In millions of tenge</i>                             | Oil and gas assets | Pipelines      | Refinery assets  | Buildings and improvements | Machinery and equipment | Vehicles      | Other          | Construction in progress | Total            |
|---------------------------------------------------------|--------------------|----------------|------------------|----------------------------|-------------------------|---------------|----------------|--------------------------|------------------|
| <b>Net book value as at December 31, 2024 (audited)</b> | <b>5,100,550</b>   | <b>253,685</b> | <b>1,054,588</b> | <b>267,484</b>             | <b>402,833</b>          | <b>84,067</b> | <b>127,218</b> | <b>543,735</b>           | <b>7,834,160</b> |
| Foreign currency translation                            | (46,194)           | (495)          | (2,687)          | (1,033)                    | (605)                   | (285)         | (999)          | (2,755)                  | (55,053)         |
| Change in estimate for asset retirement obligations     | (8,651)            | (166)          | (1,185)          | (464)                      | -                       | -             | 5              | -                        | (10,461)         |
| Additions                                               | 9,926              | 509            | 300              | 1,686                      | 4,530                   | 3,747         | 1,047          | 225,104                  | 246,849          |
| Disposals, net                                          | (782)              | (409)          | (31)             | (15)                       | (905)                   | (6)           | (238)          | (93)                     | (2,479)          |
| Depreciation charge                                     | (216,595)          | (5,537)        | (56,318)         | (7,478)                    | (16,652)                | (7,740)       | (5,451)        | -                        | (315,771)        |
| Loss of control over subsidiary (Note 4)                | -                  | -              | -                | (944)                      | (21)                    | -             | (9)            | -                        | (974)            |
| (Impairment)/Reversal of impairment (Note 12)           | (17)               | -              | 2,297            | -                          | 5                       | (46)          | -              | (21,018)                 | (18,779)         |
| Transfers from/(to) investment property                 | -                  | -              | 17               | 3,582                      | -                       | -             | (9)            | -                        | 3,590            |
| Other changes                                           | 28                 | 400            | 136              | (1)                        | 2                       | (1)           | 1,130          | (819)                    | 875              |
| Transfers                                               | 96,166             | 49,226         | 26,502           | 11,222                     | 5,767                   | 139           | 2,440          | (191,462)                | -                |
| <b>Net book value as at June 30, 2025 (unaudited)</b>   | <b>4,934,431</b>   | <b>297,213</b> | <b>1,023,619</b> | <b>274,039</b>             | <b>394,954</b>          | <b>79,875</b> | <b>125,134</b> | <b>552,692</b>           | <b>7,681,957</b> |
| At cost                                                 | 8,671,047          | 472,020        | 3,212,560        | 687,378                    | 836,475                 | 262,436       | 293,780        | 725,587                  | 15,161,283       |
| Accumulated depreciation and impairment                 | (3,736,616)        | (174,807)      | (2,188,941)      | (413,339)                  | (441,521)               | (182,561)     | (168,646)      | (172,895)                | (7,479,326)      |
| <b>Net book value as at June 30, 2025 (unaudited)</b>   | <b>4,934,431</b>   | <b>297,213</b> | <b>1,023,619</b> | <b>274,039</b>             | <b>394,954</b>          | <b>79,875</b> | <b>125,134</b> | <b>552,692</b>           | <b>7,681,957</b> |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 15. PROPERTY, PLANT AND EQUIPMENT (continued)

For the six months ended June 30, 2025, the Group capitalized to the carrying amount of property, plant and equipment borrowing costs in the amount of 5,018 million tenge related to the construction of those property, plant and equipment at the range of capitalized interest rate from 5.04% to 19.50% (for the six months ended June 30, 2024: 1,215 million tenge at the range of capitalized interest rate from 6.67% to 12.81%).

As at June 30, 2025, the initial cost of fully depreciated but still in use property, plant and equipment was 468,456 million tenge (December 31, 2024: 404,898 million tenge).

As at June 30, 2025, property, plant and equipment with the net book value of 155,473 million tenge (December 31, 2024: 163,170 million tenge) were pledged as collateral to secure borrowings of the Group.

Capital commitments are disclosed in *Note 27*.

### 16. BANK DEPOSITS

| <i>In millions of tenge</i>                | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|--------------------------------------------|---------------------------------|-----------------------------------|
| Denominated in US dollar                   | 1,283,449                       | 1,582,708                         |
| Denominated in tenge                       | 5,335                           | 5,662                             |
| Denominated in other currency              | 55                              | -                                 |
| Less: allowance for expected credit losses | (283)                           | (225)                             |
|                                            | 1,288,556                       | 1,588,145                         |

As at June 30, 2025, the weighted average interest rate for long-term bank deposits was 3.50% in US dollars and 6.91% in tenge (December 31, 2024: 3.54% in US dollars and 6.85% in tenge).

As at June 30, 2025, the weighted average interest rate for short-term bank deposits was 4.65% in US dollars and 0.45% in tenge (December 31, 2024: 4.88% in US dollars and 0.49% in tenge).

Bank deposits have original maturities as detailed below:

| <i>In millions of tenge</i>      | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|----------------------------------|---------------------------------|-----------------------------------|
| Maturities under 1 year          | 1,214,486                       | 1,513,816                         |
| Maturities between 1 and 2 years | 1,823                           | 1,977                             |
| Maturities over 2 years          | 72,247                          | 72,352                            |
|                                  | 1,288,556                       | 1,588,145                         |

As at June 30, 2025, bank deposits include restricted bank accounts of 69,089 million tenge (December 31, 2024: 71,273 million tenge) designated as a liquidation fund per requirements of subsoil use contracts.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****17. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES**

| In millions of tenge                   | Main activity                                                                                    | Place of business     | June 30, 2025<br>(unaudited) |                      | December 31, 2024<br>(audited) |                      |
|----------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------|------------------------------|----------------------|--------------------------------|----------------------|
|                                        |                                                                                                  |                       | Carrying value               | Percentage ownership | Carrying value                 | Percentage ownership |
| <b>Joint ventures</b>                  |                                                                                                  |                       |                              |                      |                                |                      |
| Tengizchevroil LLP (TCO) <sup>1</sup>  | Oil and gas exploration and production                                                           | Kazakhstan            | 3,713,329                    | 20.00%               | 3,987,223                      | 20.00%               |
| Mangistau Investments B.V. Group (MMG) | Oil and gas development and production                                                           | Kazakhstan            | 213,759                      | 50.00%               | 196,938                        | 50.00%               |
| KALAMKAS-KHAZAR OPERATING LLP          | Oil and gas development and production                                                           | Kazakhstan            | 85,128                       | 50.00%               | 88,018                         | 50.00%               |
| Silleno LLP (Silleno) <sup>2</sup>     | Construction of the first integrated gas-chemical complex                                        | Kazakhstan            | 81,328                       | 40.00%               | 65,079                         | 40.00%               |
| Ural Group Limited                     | Oil and gas exploration and production                                                           | Kazakhstan            | 69,686                       | 50.00%               | 67,860                         | 50.00%               |
| KazRosGas LLP                          | Processing and sale of natural gas and refined gas products                                      | Kazakhstan            | 67,194                       | 50.00%               | 66,539                         | 50.00%               |
| KC Energy Group (KCEG) <sup>3</sup>    | Sale of liquefied gas and oil products                                                           | Kazakhstan            | 62,750                       | 49.00%               | 27,749                         | 49.00%               |
| Kazakhstan-China Pipeline LLP          | Oil transportation                                                                               | Kazakhstan            | 60,395                       | 50.00%               | 66,202                         | 50.00%               |
| Vaisera Holdings B.V. Group (PKOP)     | Oil refining                                                                                     | Kazakhstan            | 49,376                       | 50.00%               | 37,688                         | 50.00%               |
| KazGerMunay LLP                        | Oil and gas exploration and production                                                           | Kazakhstan            | 25,647                       | 50.00%               | 44,264                         | 50.00%               |
| Kazakholi-Aktobe LLP                   | Production and sale of crude oil                                                                 | Kazakhstan            | 19,955                       | 50.00%               | 24,028                         | 50.00%               |
| PETROSUN LLP (Petrosun) <sup>3</sup>   | Sale of liquefied gas and oil products                                                           | Kazakhstan            | 9,243                        | 49.00%               | 8,978                          | 49.00%               |
| Karaton Operating Ltd.                 | Oil and gas development and production                                                           | Kazakhstan            | 8,941                        | 50.00%               | 8,907                          | 50.00%               |
| Teniz Service LLP                      | Design, construction and operation of infrastructure facilities, offshore oil operations support | Kazakhstan            | 6,302                        | 48.996%              | 6,468                          | 48.996%              |
| Other                                  |                                                                                                  |                       | 73,869                       |                      | 57,916                         |                      |
| <b>Associates</b>                      |                                                                                                  |                       |                              |                      |                                |                      |
| Caspian Pipeline Consortium            | Transportation of liquid hydrocarbons                                                            | Kazakhstan/<br>Russia | 473,509                      | 20.75%               | 484,247                        | 20.75%               |
| PetroKazakhstan Inc.                   | Exploration, production and processing of oil and gas                                            | Kazakhstan            | 83,727                       | 33.00%               | 82,175                         | 33.00%               |
| Other                                  |                                                                                                  |                       | 58,196                       |                      | 58,234                         |                      |
|                                        |                                                                                                  |                       | 5,162,334                    |                      | 5,378,513                      |                      |

<sup>1</sup> The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.

<sup>2</sup> The share of 40% provides the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

<sup>3</sup> KCEG was founded under conditions similar to the current activities of Petrosun with the same composition of participants and the same management mechanisms. It is planned that the activities of Petrosun will be gradually transferred to KCEG.

All of the above joint ventures and associates are strategic for the Group's business.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 17. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

As at June 30, 2025, the Group's share in unrecognized losses of joint ventures and associates was equal to 122,825 million tenge (December 31, 2024: 112,808 million tenge).

The following table summarizes the movements in the investments in joint ventures and associates during the six months ended June 30:

| <i>In millions of tenge</i>                                     | 2025<br>(unaudited) | 2024<br>(unaudited) |
|-----------------------------------------------------------------|---------------------|---------------------|
| <b>On January 1 (audited)</b>                                   | <b>5,378,513</b>    | <b>4,821,427</b>    |
| Share in profits of joint ventures and associates, net (Note 6) | 348,737             | 268,190             |
| Recognition of investment (Note 4)                              | 792                 | 8,255               |
| Disposal of share in joint venture without losing joint control | –                   | (6,393)             |
| Dividends received                                              | (474,356)           | (309,547)           |
| Change in dividends receivable, including withholding tax       | (67,908)            | (31,658)            |
| Other changes in the equity of the joint venture                | 693                 | 8,072               |
| Additional contributions without change in ownership            | 30,967              | 11,851              |
| Eliminations and adjustments*                                   | –                   | (2,102)             |
| Foreign currency translation                                    | (55,104)            | 154,148             |
| <b>On June 30 (unaudited)</b>                                   | <b>5,162,334</b>    | <b>4,922,243</b>    |

\* Equity method eliminations and adjustments represent capitalized borrowing costs on the loans provided by the Company and subsidiaries to joint ventures.

For the six months ended June 30, 2025 the Group received dividends from joint ventures in the total amount of 474,356 million tenge, including from joint ventures TCO and MMG in the amounts of 328,324 million tenge and 19,458 million tenge, respectively and from associate Caspian Pipeline Consortium in the amount of 80,866 million tenge.

### 18. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS

| <i>In millions of tenge</i>                | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|--------------------------------------------|---------------------------------|-----------------------------------|
| <b>Trade accounts receivable</b>           |                                 |                                   |
| Trade accounts receivable                  | 753,214                         | 472,143                           |
| Less: allowance for expected credit losses | (32,319)                        | (29,086)                          |
| <b>Total trade accounts receivable</b>     | <b>720,895</b>                  | <b>443,057</b>                    |
| <b>Other current financial assets</b>      |                                 |                                   |
| Other receivables                          | 116,291                         | 117,313                           |
| Dividends receivable                       | 11,146                          | 7,997                             |
| Less: allowance for expected credit losses | (62,437)                        | (61,782)                          |
|                                            | <b>65,000</b>                   | <b>63,528</b>                     |
| <b>Other current non-financial assets</b>  |                                 |                                   |
| Advances paid and prepaid expenses         | 150,998                         | 137,553                           |
| Taxes receivable, other than VAT           | 33,361                          | 37,414                            |
| Other                                      | 8,730                           | 6,643                             |
| Less: impairment allowance                 | (822)                           | (856)                             |
|                                            | <b>192,267</b>                  | <b>180,754</b>                    |
| <b>Total other current assets</b>          | <b>257,267</b>                  | <b>244,282</b>                    |

As at June 30, 2025 and December 31, 2024 the above assets were non-interest bearing.

As at June 30, 2025, trade accounts receivable of 215,058 million tenge are pledged as collateral (December 31, 2024: 181,246 million tenge).



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 18. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)

As of June 30, 2025 and December 31, 2024, trade accounts receivable is denominated in the following currencies:

| <i>In millions of tenge</i> | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|-----------------------------|---------------------------------|-----------------------------------|
| US dollars                  | 411,955                         | 280,970                           |
| Tenge                       | 221,024                         | 94,420                            |
| Romanian Leu                | 81,479                          | 63,296                            |
| Euro                        | 3,875                           | 2,770                             |
| Other currency              | 2,562                           | 1,601                             |
|                             | <b>720,895</b>                  | <b>443,057</b>                    |

### 19. CASH AND CASH EQUIVALENTS

| <i>In millions of tenge</i>                                                    | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|--------------------------------------------------------------------------------|---------------------------------|-----------------------------------|
| Term deposits with banks – US dollar                                           | 915,423                         | 848,432                           |
| Term deposits with banks – tenge                                               | 205,724                         | 172,922                           |
| Term deposits with banks – other currencies                                    | 111,224                         | 60,346                            |
| Current accounts with banks – US dollar                                        | 467,951                         | 78,600                            |
| Current accounts with banks – tenge                                            | 5,014                           | 7,786                             |
| Current accounts with banks – other currencies                                 | 36,028                          | 17,689                            |
| The contracts of reverse repo with original maturities of three months or less | 43,584                          | 26,395                            |
| Cash in transit                                                                | 14,032                          | 1,864                             |
| Cash-on-hand and cheques                                                       | 1,712                           | 2,487                             |
| Less: allowance for expected credit losses                                     | (65)                            | (70)                              |
|                                                                                | <b>1,800,627</b>                | <b>1,216,451</b>                  |

Term deposits with banks are placed for various periods of between one day and three months, depending on the immediate cash requirements of the Group.

As at June 30, 2025, the weighted average interest rate for term deposits with banks was 4.36% in US dollars, 16.96% in tenge and 6.65% in other currencies (December 31, 2024: 4.22% in US dollars, 14.53% in tenge and 5.18% in other currencies).

As at June 30, 2025 and December 31, 2024 cash and cash equivalents of the Group were not pledged as collateral for obligations of the Group.

### 20. BORROWINGS

| <i>In millions of tenge</i>                 | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|---------------------------------------------|---------------------------------|-----------------------------------|
| Fixed interest rate borrowings and bonds    | 3,338,798                       | 3,396,818                         |
| Weighted average nominal interest rates     | 6.22%                           | 6.25%                             |
| Floating interest rate borrowings and bonds | 553,551                         | 570,583                           |
| Weighted average nominal interest rates     | 8.28%                           | 8.41%                             |
|                                             | <b>3,892,349</b>                | <b>3,967,401</b>                  |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 20. BORROWINGS (continued)

As at June 30, 2025 and December 31, 2024, borrowings and bonds are denominated in the following currencies:

| <i>In millions of tenge</i> | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|-----------------------------|---------------------------------|-----------------------------------|
| US dollar                   | 2,773,534                       | 2,982,986                         |
| Tenge                       | 901,655                         | 937,610                           |
| Euro                        | 206,033                         | 35,601                            |
| Other currencies            | 11,127                          | 11,204                            |
|                             | <b>3,892,349</b>                | <b>3,967,401</b>                  |

| <i>In millions of tenge</i> | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|-----------------------------|---------------------------------|-----------------------------------|
| Current portion             | 506,780                         | 323,290                           |
| Non-current portion         | 3,385,569                       | 3,644,111                         |
|                             | <b>3,892,349</b>                | <b>3,967,401</b>                  |

As at June 30, 2025 and December 31, 2024, the bonds comprised:

| <i>In millions of tenge</i> | Issuance<br>amount   | Redemption<br>date | Effective<br>Interest Rate                  | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|-----------------------------|----------------------|--------------------|---------------------------------------------|---------------------------------|-----------------------------------|
| <b>Bonds</b>                |                      |                    |                                             |                                 |                                   |
| KASE 2023                   | 70 billion KZT       | 2033               | 11.74%<br>(0.50% nominal<br>interest rate)  | 45,221                          | 45,873                            |
| KASE 2022                   | 751.6 billion<br>KZT | 2035               | 12.105%<br>(9.30% nominal<br>interest rate) | 645,886                         | 642,749                           |
| Bonds LSE 2020              | 750 million USD      | 2033               | 3.50%                                       | 392,200                         | 396,299                           |
| Bonds LSE 2018              | 1.5 billion USD      | 2048               | 6.375%                                      | 770,963                         | 778,795                           |
| Bonds LSE 2018              | 1.25 billion USD     | 2030               | 5.375%                                      | 647,003                         | 653,507                           |
| Bonds LSE 2017              | 1.25 billion USD     | 2047               | 5.75%                                       | 633,035                         | 639,143                           |
| Bonds LSE 2017              | 1 billion USD        | 2027               | 4.75%                                       | 130,441                         | 131,604                           |
| <b>Total</b>                |                      |                    |                                             | <b>3,264,749</b>                | <b>3,287,970</b>                  |

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within other finance income in these interim condensed consolidated financial statements in the amount of 59,769 million tenge (Note 13).

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****20. BORROWINGS (continued)**

As at June 30, 2025 and December 31, 2024, the borrowings comprised:

| <i>In millions of tenge</i>                                                                                                         | <b>Issuance<br/>amount</b>     | <b>Redemption date</b> | <b>Effective Interest Rate</b>                          | <b>June 30,<br/>2025<br/>(unaudited)</b> | <b>December 31,<br/>2024<br/>(audited)</b> |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------|---------------------------------------------------------|------------------------------------------|--------------------------------------------|
| <b>Loans</b>                                                                                                                        |                                |                        |                                                         |                                          |                                            |
| The Syndicate of banks (Unicredit Tiriac Bank, ING Bank, BCR, Raiffeisen Bank, Alpha Bank, Garanti Bank, OTP Bank, Intesa Sanpaolo) | 558.1 million USD <sup>1</sup> | 2026                   | EURIBOR 1M + 2.75%<br>SOFR 1M + 2.750%<br>ROBOR + 2.75% | 143,960                                  | 149,937                                    |
| Cargill                                                                                                                             | 100 million USD                | 2026                   | SOFR 3M + 2.80%                                         | 52,190                                   | 52,732                                     |
| Halyk bank JSC (Halyk bank)                                                                                                         | 169 billion KZT                | 2032                   | Base rate of NBRK + 1.50%                               | 49,447                                   | 49,219                                     |
| Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)                                                                                   | 300 million USD                | 2025                   | COF <sup>2</sup> (4.36%) + 1.50%                        | 47,979                                   | 91,405                                     |
| Halyk Bank                                                                                                                          | 110 billion KZT                | 2025                   | 11.00%                                                  | 40,681                                   | 64,883                                     |
| BCP                                                                                                                                 | 170 million USD                | 2025                   | COF (4.6020%) + 1.50%                                   | 34,885                                   | 21,181                                     |
| The Syndicate of banks (BCR, Raiffeisen Bank, OTP, Alpha, Garanti)                                                                  | 83 million EUR                 | 2029                   | EURIBOR 6M + 3.00%<br>15.20%                            | 34,792                                   | 28,471                                     |
| Development bank of Kazakhstan JSC (DBK)                                                                                            | 79 billion KZT                 | 2026                   | (7.99% nominal rate)<br>CPI 6M + 4.00%                  | 33,368                                   | 43,892                                     |
| The European Bank for Reconstruction and Development (EBRD)                                                                         | 61 billion KZT                 | 2028                   | CPI + 3.75%                                             | 32,321                                   | 37,730                                     |
| Halyk bank                                                                                                                          | 41.4 billion KZT               | 2032                   | Base rate NBRK + 1.50%                                  | 31,337                                   | 31,157                                     |
| Natixis                                                                                                                             | 250 million USD                | 2026                   | COF (4.45%) + 2.00%                                     | 24,887                                   | –                                          |
| The European Development Bank                                                                                                       | 21 billion KZT                 | 2033                   | Base rate of NBRK – 2.00%                               | 23,393                                   | 22,107                                     |
| ING Bank NV                                                                                                                         | 250 million USD                | 2025                   | COF (4.55%) + 1.80%                                     | 21,518                                   | 7,714                                      |
|                                                                                                                                     |                                |                        | EURIBOR 1M + 2.50%                                      |                                          |                                            |
|                                                                                                                                     |                                |                        | SOFR 1M + 2.50%                                         |                                          |                                            |
| Banca Transilvania                                                                                                                  | 57.96 million EUR              | 2025                   | ROBOR 1M + 2.00%                                        | 20,473                                   | 17,975                                     |
| OTP Bank                                                                                                                            | 119 million RON                | 2030                   | ROBOR 3M + 1.10%                                        | 10,191                                   | 10,087                                     |
| Eni Isatay                                                                                                                          | –                              | –                      | –                                                       | –                                        | 24,761                                     |
| Other                                                                                                                               | –                              | –                      | –                                                       | 26,178                                   | 26,180                                     |
| <b>Total</b>                                                                                                                        |                                |                        |                                                         | <b>627,600</b>                           | <b>679,431</b>                             |

<sup>1</sup> 275.9 million USD with revolving credit facility<sup>2</sup> Cost of funding



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****20. BORROWINGS (continued)**

Changes in borrowings for the six months ended June 30:

| In millions of tenge                          | 2025 (unaudited) |                 |                  | 2024 (unaudited) |                 |                  |
|-----------------------------------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|
|                                               | Short-term loans | Long-term loans | Bonds            | Short-term loans | Long-term loans | Bonds            |
| <b>On January 1 (audited)</b>                 | <b>151,541</b>   | <b>527,890</b>  | <b>3,287,970</b> | <b>214,457</b>   | <b>496,360</b>  | <b>3,046,277</b> |
| Received in cash                              | 207,812          | 4,005           | -                | 48,929           | 56,211          | -                |
| Repayment of principal in cash                | (66,322)         | (182,674)       | (2,994)          | (62,805)         | (86,747)        | (21,680)         |
| Interest accrued in profit and loss (Note 13) | 11,208           | 16,439          | 111,863          | 11,082           | 20,305          | 101,940          |
| Interest paid*                                | (11,269)         | (18,142)        | (105,936)        | (10,588)         | (16,904)        | (84,077)         |
| Effect of loan modification                   | -                | -               | -                | -                | -               | 233,519          |
| Effect of initial loan recognition            | -                | -               | -                | -                | -               | -                |
| Foreign currency translation                  | (623)            | (4,553)         | (25,671)         | 6,012            | 7,850           | 93,941           |
| Foreign exchange (gain)/loss                  | 7,117            | 3,419           | (483)            | (757)            | 376             | 1,663            |
| Derecognition of loan (Note 13)               | -                | (24,405)        | -                | -                | (47,911)        | -                |
| Other                                         | 1,246            | 4,911           | -                | -                | 1,122           | -                |
| <b>On June 30 (unaudited)</b>                 | <b>300,710</b>   | <b>326,890</b>  | <b>3,264,749</b> | <b>206,330</b>   | <b>430,662</b>  | <b>3,371,583</b> |
| Current portion                               | 300,710          | 156,197         | 49,873           | 206,330          | 76,547          | 45,570           |
| Non-current portion                           | -                | 170,693         | 3,214,876        | -                | 354,115         | 3,326,013        |
|                                               |                  |                 | <b>3,385,569</b> |                  |                 | <b>3,680,128</b> |

\* The repayment of the interest is classified in the interim consolidated statement of cash flows as operating cash flows.

**Covenants**

The Group is required to comply with financial and non-financial covenants under the terms of all credit documentation. Financial covenants require the Group to comply with certain metrics such as total net debt to EBITDA, minimum interest coverage and others. Under the terms of the credit documentation, failure to comply with covenants may result in the repayment of these long-term financings upon demand. As at June 30, 2025 and December 31, 2024, the Group complied with all financial and non-financial covenants. According to credit documentation the next remeasurement dates for the covenants are 30 September 2025 and 31 December 2025.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 20. BORROWINGS (continued)

#### *Hedge of net investment in the foreign operations*

As at June 30, 2025, certain bonds denominated in foreign currency were designated as hedge instruments for the net investment in foreign operations. These bonds are being used to hedge the Group's exposure to the US dollar foreign exchange risk on these investments. For the six months ended June 30, 2025, a foreign exchange loss of 25,671 million tenge (for the six months ended June 30, 2024: a foreign exchange loss of 93,941 million tenge) on these bonds was transferred to other comprehensive income and offset against translation gains of the net investments in foreign operations.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the US Dollars bonds. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate bonds. As at June 30, 2025 and December 31, 2024, there was no ineffective portion of the hedge.

### 21. LEASE LIABILITIES

|                                                   | Lease payments               |                                | Present value of lease payments |                                |
|---------------------------------------------------|------------------------------|--------------------------------|---------------------------------|--------------------------------|
|                                                   | June 30, 2025<br>(unaudited) | December 31, 2024<br>(audited) | June 30, 2025<br>(unaudited)    | December 31, 2024<br>(audited) |
| <i>In millions of tenge</i>                       |                              |                                |                                 |                                |
| Within one year                                   | 23,639                       | 26,471                         | 17,780                          | 20,882                         |
| Two to five years inclusive                       | 56,724                       | 56,149                         | 30,416                          | 29,308                         |
| After five years                                  | 110,060                      | 102,326                        | 78,537                          | 74,026                         |
|                                                   | 190,423                      | 184,946                        | 126,733                         | 124,216                        |
| Less: amounts representing finance costs          | (63,690)                     | (60,730)                       |                                 | -                              |
| <b>Present value of lease payments</b>            | <b>126,733</b>               | <b>124,216</b>                 | <b>126,733</b>                  | <b>124,216</b>                 |
| Less: amounts due for settlement within 12 months | (23,639)                     | (26,471)                       | (17,780)                        | (20,882)                       |
| <b>Amounts due for settlement after 12 months</b> | <b>166,784</b>               | <b>158,475</b>                 | <b>108,953</b>                  | <b>103,334</b>                 |

As at June 30, 2025, interest calculation was based on effective interest rates ranging from 2.95% to 25.30% (December 31, 2024: from 2.95% to 25.29%).

The table below shows the changes in lease liabilities for the six months ended June 30:

|                               | 2025<br>(unaudited) | 2024<br>(unaudited) |
|-------------------------------|---------------------|---------------------|
| <i>In millions of tenge</i>   |                     |                     |
| <b>On January 1 (audited)</b> | <b>124,216</b>      | <b>105,280</b>      |
| Additions of leases           | 4,669               | 6,386               |
| Interest accrued (Note 13)    | 4,618               | 4,121               |
| Repayment of principal        | (15,103)            | (14,861)            |
| Interest paid                 | (592)               | (590)               |
| Foreign exchange (gain)/loss  | 9,440               | (2,305)             |
| Foreign currency translation  | (1,067)             | 3,259               |
| Other                         | 552                 | 1,448               |
| <b>On June 30 (unaudited)</b> | <b>126,733</b>      | <b>102,738</b>      |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 22. PROVISIONS

| <i>In millions of tenge</i>            | Asset<br>retirement<br>obligations | Provision<br>for<br>environ-<br>mental<br>obligation | Provision<br>for taxes | Other         | Total          |
|----------------------------------------|------------------------------------|------------------------------------------------------|------------------------|---------------|----------------|
| <b>As at January 1, 2024 (audited)</b> | 208,705                            | 77,061                                               | 6,974                  | 47,055        | 339,795        |
| Foreign currency translation           | 2,485                              | 2,256                                                | 4                      | 888           | 5,633          |
| Change in estimate                     | (4,944)                            | 523                                                  | –                      | 94            | (4,327)        |
| Unwinding of discount (Note 13)        | 8,484                              | 820                                                  | –                      | 96            | 9,400          |
| Provision for the period               | 209                                | –                                                    | 30                     | 4,214         | 4,453          |
| Recovered                              | (678)                              | –                                                    | (3,783)                | (136)         | (4,597)        |
| Use of provision                       | (793)                              | (1,200)                                              | –                      | (601)         | (2,594)        |
| <b>As at June 30, 2024 (unaudited)</b> | <b>213,468</b>                     | <b>79,460</b>                                        | <b>3,225</b>           | <b>51,610</b> | <b>347,763</b> |
| <b>As at January 1, 2025 (audited)</b> | <b>221,192</b>                     | <b>79,119</b>                                        | <b>2,888</b>           | <b>24,454</b> | <b>327,653</b> |
| Foreign currency translation           | (1,037)                            | (704)                                                | 52                     | (222)         | (1,911)        |
| Change in estimate                     | (10,888)                           | (20)                                                 | –                      | (184)         | (11,092)       |
| Unwinding of discount (Note 13)        | 9,363                              | 706                                                  | –                      | 94            | 10,163         |
| Provision for the period               | 624                                | –                                                    | –                      | 5,210         | 5,834          |
| Loss of control over subsidiary        | (61)                               | –                                                    | –                      | –             | (61)           |
| Reclassification from tax liabilities  | –                                  | –                                                    | 2,243                  | –             | 2,243          |
| Recovered                              | (254)                              | –                                                    | –                      | (81)          | (335)          |
| Use of provision                       | (119)                              | (149)                                                | –                      | (2,289)       | (2,557)        |
| <b>As at June 30, 2025 (unaudited)</b> | <b>218,820</b>                     | <b>78,952</b>                                        | <b>5,183</b>           | <b>26,982</b> | <b>329,937</b> |

Current portion and long-term portion are segregated as follows:

| <i>In millions of tenge</i>            | Asset<br>retirement<br>obligations | Provision<br>for<br>environ-<br>mental<br>obligation | Provision<br>for taxes | Other         | Total          |
|----------------------------------------|------------------------------------|------------------------------------------------------|------------------------|---------------|----------------|
| Current portion                        | 1,231                              | 1,965                                                | 2,906                  | 16,104        | 22,206         |
| Long-term portion                      | 217,589                            | 76,987                                               | 2,277                  | 10,878        | 307,731        |
| <b>As at June 30, 2025 (unaudited)</b> | <b>218,820</b>                     | <b>78,952</b>                                        | <b>5,183</b>           | <b>26,982</b> | <b>329,937</b> |
| Current portion                        | 2,531                              | 2,368                                                | 3,225                  | 42,059        | 50,183         |
| Long-term portion                      | 210,937                            | 77,092                                               | –                      | 9,551         | 297,580        |
| <b>As at June 30, 2024 (unaudited)</b> | <b>213,468</b>                     | <b>79,460</b>                                        | <b>3,225</b>           | <b>51,610</b> | <b>347,763</b> |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 23. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES

| <i>In millions of tenge</i>            | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|----------------------------------------|---------------------------------|-----------------------------------|
| <b>Trade accounts payable</b>          | <b>595,974</b>                  | <b>598,787</b>                    |
| <b>Other financial liabilities</b>     |                                 |                                   |
| Due to employees                       | 93,770                          | 78,950                            |
| Other trade payables                   | 40,970                          | 40,534                            |
| Derivative financial instruments       | 5,536                           | 2,950                             |
| Other                                  | 94,237                          | 53,812                            |
|                                        | <b>234,513</b>                  | <b>176,246</b>                    |
| Current portion                        | 225,990                         | 169,150                           |
| Non-current portion                    | 8,523                           | 7,096                             |
|                                        | <b>234,513</b>                  | <b>176,246</b>                    |
| <b>Other non-financial liabilities</b> |                                 |                                   |
| Contract liabilities                   | 188,641                         | 227,046                           |
| Other                                  | 17,848                          | 15,432                            |
|                                        | <b>206,489</b>                  | <b>242,478</b>                    |
| Current portion                        | 172,526                         | 206,303                           |
| Non-current portion                    | 33,963                          | 36,175                            |
|                                        | <b>206,489</b>                  | <b>242,478</b>                    |

Other within other financial liabilities include current financial liability for repurchase of CO2 certificates in the amount of 36,058 million tenge (as at December 31, 2024: nil million tenge) and financial liability arising from a put option liability to re-purchase a stake in the share capital of the Kazakh-Romanian Energy Investment Fund on behalf of the Romanian Society for the Administration of Energy Participation (SAPE) with the redemption amount of 15,248 million tenge (as at December 31, 2024: 14,774 million tenge).

As at June 30, 2025 and December 31, 2024, trade accounts payable were denominated in the following currencies:

| <i>In millions of tenge</i> | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|-----------------------------|---------------------------------|-----------------------------------|
| US dollars                  | 401,452                         | 389,492                           |
| Tenge                       | 115,629                         | 137,939                           |
| Romanian leu                | 56,983                          | 56,388                            |
| Euro                        | 13,801                          | 6,296                             |
| Other currency              | 8,109                           | 8,672                             |
| <b>Total</b>                | <b>595,974</b>                  | <b>598,787</b>                    |

As at June 30, 2025 and December 31, 2024, trade accounts payable and other financial liabilities were not interest bearing.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 24. OTHER TAXES PAYABLE

| <i>In millions of tenge</i>        | June 30,<br>2025<br>(unaudited) | December 31,<br>2024<br>(audited) |
|------------------------------------|---------------------------------|-----------------------------------|
| VAT                                | 94,706                          | 28,394                            |
| Rent tax on crude oil export       | 29,385                          | 15,071                            |
| Mineral extraction tax             | 17,560                          | 15,782                            |
| Turnover tax (Note 9)              | 10,079                          | 4,847                             |
| Social tax                         | 6,593                           | 7,436                             |
| Individual income tax              | 4,369                           | 6,042                             |
| Excise tax                         | 2,742                           | 1,871                             |
| Withholding tax from non-residents | 6                               | 59                                |
| Other                              | 3,344                           | 4,129                             |
|                                    | <b>168,784</b>                  | <b>83,631</b>                     |

### 25. RELATED PARTY DISCLOSURES

#### *Terms and conditions of transactions with related parties*

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances are mainly unsecured and interest free and settlement occurs in cash. The Group recognizes allowances for expected credit losses on amounts owed by related parties.

#### *Transactions balances*

The following table provides the balances of transactions with related parties as at June 30, 2025 and December 31, 2024:

| <i>In millions of tenge</i>    | As at                                  | Due from<br>related<br>parties* | Due to<br>related<br>parties* | Cash and<br>deposits<br>placed<br>with<br>related<br>parties | Borrowin<br>gs<br>payable<br>to related<br>parties | Financial<br>assets<br>and loans<br>due from<br>related<br>parties |
|--------------------------------|----------------------------------------|---------------------------------|-------------------------------|--------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|
|                                | <b>June 30, 2025<br/>(unaudited)</b>   |                                 |                               |                                                              |                                                    |                                                                    |
| Samruk-Kazyna                  |                                        | 29,118                          | -                             | -                                                            | 691,107                                            | 56,472                                                             |
|                                | <b>December 31, 2024<br/>(audited)</b> | 28,451                          | -                             | -                                                            | 688,622                                            | 54,317                                                             |
|                                | <b>June 30, 2025<br/>(unaudited)</b>   |                                 |                               |                                                              |                                                    |                                                                    |
| Samruk-Kazyna entities         |                                        | 82,289                          | 1,513                         | 74,208                                                       | -                                                  | 171                                                                |
|                                | <b>December 31, 2024<br/>(audited)</b> | 29,336                          | 2,716                         | 56,849                                                       | -                                                  | 172                                                                |
|                                | <b>June 30, 2025<br/>(unaudited)</b>   |                                 |                               |                                                              |                                                    |                                                                    |
| Associates                     |                                        | 7,480                           | 8,677                         | -                                                            | -                                                  | -                                                                  |
|                                | <b>December 31, 2024<br/>(audited)</b> | 18,314                          | 13,650                        | -                                                            | -                                                  | -                                                                  |
|                                | <b>June 30, 2025<br/>(unaudited)</b>   |                                 |                               |                                                              |                                                    |                                                                    |
| Other state-controlled parties |                                        | 9,722                           | 7,144                         | -                                                            | 56,761                                             | 24,263                                                             |
|                                | <b>December 31, 2024<br/>(audited)</b> | 2,611                           | 3,407                         | -                                                            | 65,999                                             | 38,329                                                             |
|                                | <b>June 30, 2025<br/>(unaudited)</b>   |                                 |                               |                                                              |                                                    |                                                                    |
| Joint ventures                 |                                        | 68,654                          | 246,647                       | -                                                            | -                                                  | 131,830                                                            |
|                                | <b>December 31, 2024<br/>(audited)</b> | 32,014                          | 177,411                       | -                                                            | -                                                  | 106,338                                                            |

\* The amounts are mainly classified as «Trade accounts receivables» and «Trade accounts payables».



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 25. RELATED PARTY DISCLOSURES (continued)

#### Borrowings payable to related parties

##### *Samruk-Kazyna*

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within other finance income (*Note 13*) in these interim condensed consolidated financial statements in the amount of 59,769 million tenge.

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity (*Note 20*).

#### Due from related parties

##### *Other state-controlled parties*

For the six months ended June 30, 2025, the Group purchased short-term notes of NB RK in the total amount of 255,895 million tenge with an interest rate of 14.95%, as well as short-term notes of NB RK acquired in 2024 and 2025 in the amount of 269,686 million tenge were redeemed.

#### Due from/to related parties

##### *Samruk-Kazyna entities*

During the six months ended June 30, 2024, the Company sold investment property to Samruk-Kazyna with a carrying value of 13,503 million tenge. According to the terms of the purchase and sale agreement, the sales price was 22,872 million tenge with deferred payment until June 2027. The difference between the sales price, which is the fair value of the investment property as of the date of disposal, and the nominal amount of the debt of Samruk-Kazyna in the amount of 8,741 million tenge is reflected in these interim condensed consolidated financial statements as finance expenses (*Note 13*).

#### Cash and deposits placed with related parties

##### *Samruk-Kazyna entities*

As at June 30, 2025, the Group has current accounts and time deposits consisting of cash in tenge and dollars on the accounts of Kazpost JSC, subsidiary of Samruk-Kazyna in the total amount of 74,208 million tenge.

#### Transactions turnover

The following table provides the total amount of transactions, which have been entered into with related parties during the six months ended June 30, 2025 and 2024:

| <i>In millions of tenge</i>    | During the six months ended June 30, | Sales to related parties* | Purchases from related parties* | Interest earned from related parties | Interest incurred to related parties |
|--------------------------------|--------------------------------------|---------------------------|---------------------------------|--------------------------------------|--------------------------------------|
| Samruk-Kazyna                  | 2025 (unaudited)                     | 663                       | 1,333                           | 4,343                                | 40,605                               |
|                                | 2024 (unaudited)                     | 22,872                    | 14,346                          | 62,351                               | 39,308                               |
| Samruk-Kazyna entities         | 2025 (unaudited)                     | 103,291                   | 13,621                          | 1,758                                | –                                    |
|                                | 2024 (unaudited)                     | 65,469                    | 35,364                          | 677                                  | –                                    |
| Associates                     | 2025 (unaudited)                     | 30,334                    | 36,745                          | 17                                   | –                                    |
|                                | 2024 (unaudited)                     | 19,754                    | 45,396                          | 82                                   | –                                    |
| Other state-controlled parties | 2025 (unaudited)                     | 502                       | 28,702                          | 4,213                                | 4,506                                |
|                                | 2024 (unaudited)                     | 965                       | 23,179                          | 4,030                                | 5,290                                |
| Joint ventures                 | 2025 (unaudited)                     | 245,654                   | 1,039,636                       | 1,781                                | –                                    |
|                                | 2024 (unaudited)                     | 231,845                   | 966,823                         | 12,014                               | –                                    |

\* The amounts are mainly classified as «Revenue from contracts with customers», «Cost of purchased oil, gas, petroleum products and other materials», «Production expenses», «Transportation and selling expenses» and «General and administrative expenses»

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)**

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**25. RELATED PARTY DISCLOSURES (continued)****Key management employee compensation**

For the six months ended June 30, 2025 and 2024, total compensation to key management personnel (members of the Boards of directors and Management boards of the Group, including the Company and its subsidiaries) included in general and administrative expenses was equal to 3,554 million tenge and 2,798 million tenge, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**Dividends**

During the six months ended June 30, 2025, based on the decision of Shareholders, the Company declared and paid-off dividends for 2024 of 491.71 tenge per common share in the total amount of 300,002 million tenge (during the six months ended June 30, 2024: declared dividends for 2023 of 491.71 tenge per common share in the total of 300,002 million tenge).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****26. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES****Fair values of financial instruments**

Information on the carrying amounts and fair values of certain financial instruments of the Group as at June 30, 2025 and December 31, 2024 disclosed below:

| In millions of tenge                                                 | June 30, 2025<br>(unaudited) |               |                                   | December 31, 2024<br>(audited) |           |                    |               |                                   |         |         |
|----------------------------------------------------------------------|------------------------------|---------------|-----------------------------------|--------------------------------|-----------|--------------------|---------------|-----------------------------------|---------|---------|
|                                                                      | Carrying<br>amount           | Fair<br>value | Fair value by level of assessment |                                |           | Carrying<br>amount | Fair<br>value | Fair value by level of assessment |         |         |
|                                                                      |                              |               | Level 1                           | Level 2                        | Level 3   |                    |               | Level 1                           | Level 2 | Level 3 |
| Bonds receivable from Samruk-Kazyna                                  | 33,286                       | 25,529        |                                   | 25,529                         | 32,479    | 27,650             | -             | 27,650                            | -       | -       |
| National Bank of RK notes                                            | 24,263                       | 24,263        | -                                 | 24,263                         | 38,329    | 38,329             | -             | 38,329                            | -       | -       |
| Loans given to related parties at fair value through profit and loss | 106,631                      | 106,631       | -                                 | -                              | 93,743    | 93,743             | -             | -                                 | -       | 93,743  |
| Loans given to related parties at amortized cost                     | 37,598                       | 37,685        | -                                 | 23,186                         | 34,445    | 36,700             | -             | 21,838                            | 14,862  | -       |
| Fixed interest rate borrowings and bonds                             | 3,338,798                    | 3,125,542     | 2,428,803                         | 696,739                        | 3,396,818 | 3,238,502          | 2,406,715     | 831,787                           | -       | -       |
| Floating interest rate borrowings and bonds                          | 553,551                      | 528,910       | -                                 | 528,910                        | 570,583   | 570,656            | -             | 570,656                           | -       | -       |

For all other financial instruments, the carrying amount is approximately equal to the fair value.

The fair value of bonds receivable from the Samruk-Kazyna and other debt instruments have been calculated by discounting the expected future cash flows at market interest rates.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the six months ended June 30, 2025 there were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 26. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)

#### Fair values of financial instruments (continued)

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy are shown below:

|                                                  | Fair value | Valuation technique         | Significant unobservable inputs | Range                     |                             | Reasonable change | Sensitivity of fair value measurement (in millions of tenge) |
|--------------------------------------------------|------------|-----------------------------|---------------------------------|---------------------------|-----------------------------|-------------------|--------------------------------------------------------------|
|                                                  |            |                             |                                 | June 30, 2025 (unaudited) | December 31, 2024 (audited) |                   |                                                              |
| Loans given to related parties at amortized cost | 14,499     | Discounted cash flow method | Interest/discount rate          | 7.13% - 15.00%            | 12.20% - 17.90%             | 1%/(1%)           | 25/(25)                                                      |

### 27. CONTINGENT LIABILITIES AND COMMITMENTS

In addition to the contingent liabilities and commitments disclosed in the consolidated financial statements of the Group for the year ended December 31, 2024, the following changes have taken place during the six months ended June 30, 2025:

#### Legal issues and claims

##### The Memorandum of Understanding

On February 15, 2013, KMG International N.V. (further – KMGI) and the Government of Romania signed the Memorandum of Understanding (further – Memorandum) to settle a dispute arising from the conversion of bonds issued by Rompetrol Rafinare, subsidiary of KMGI, into shares which was finally approved by the Government of Romania through a Government decision in January 2014.

Among other provisions, the Memorandum states that the precautionary seizure of Rompetrol Rafinare assets (including shares held by Rompetrol Rafinare in its subsidiaries) imposed in September 2010 to be lifted after the state withdraws its claim against the conversion of the bonds into Rompetrol Rafinare shares, which happened in March 2014, and in the event the Government of Romania organized an auction for the sale of 26.6959% (first stake) of Rompetrol Rafinare shares, KMGI would have to offer a price not less than 200 million US dollars.

On January 22, 2025, KMGI formally notified the Romanian Ministry of Energy on termination of its obligations under the memorandum due to an ongoing legal dispute concerning the seizure of Rompetrol Rafinare's assets.

On January 31, 2025 the Supreme Court confirmed the first court resolution by which Romanian Tax Authorities (ANAF) should issue a decision to cancel the enforcement order and release the precautionary seizure. The lifting of the precautionary seizure is pending. Most of the assets are already released.

On April 30, 2025 the term for implementation of the Memorandum expired.

##### The case of an administrative offense of the Atyrau refinery LLP (further – Atyrau Refinery) initiated by the Department of Agency for protection and development of competition of RK (further – Antimonopoly agency) of the Atyrau region

In January 2025 Antimonopoly agency conducted an inspection for compliance with the legislation of the RK in the field of competition protection in relation to the Atyrau refinery on the grounds of establishing and maintaining monopolistically high prices for oil refining services for 2021-2023. In June 2025 Antimonopoly agency issued the Conclusion which stated that Atyrau refinery set monopolistically high tariff for oil refining services, which sets to confiscate revenue for 2021-2023 of 29,137 million tenge and impose fine of 37,390 million tenge. Atyrau refinery does not agree with the results of the Conclusion and on July 16, 2025 filed a Complaint against the Conclusion to the Republican Antimonopoly agency. Atyrau refinery assessed the risk of additional charges as remote, and as of June 30, 2025, Atyrau refinery did not create a provision on this case.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 27. CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

#### Environmental audits

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (further Operator). Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tons. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order.

On June 14, 2023, the Specialized Inter-District Administrative Court of the city of Astana ruled in favor of the Operator regarding the placement of sulfur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court the city of Astana annulled this decision. On June 26, 2025, the Supreme Court of the Republic of Kazakhstan issued a ruling to overturn the decision of February 27, 2024 and referred the case for a new trial to the appellate court with a different panel of judges. On July 10, 2025, the case was accepted for consideration by the Judicial Panel for Administrative Cases of the Court of the city of Astana. On August 1, 2025, the appellate court announced a decision in favor of the Operator and annulled the inspection results in full, including the excessive placement of sulfur.

#### Kazakhstan local market obligation

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue than crude oil sold on the export market, which may materially and adversely affect the Group's business, prospects, consolidated financial position and performance.

During the six months ended June 30, 2025 in accordance with its obligations, the Group delivered to the Kazakhstan market 4,364 thousand tons of crude oil in the total amount of 445,391 million tenge, including its share in the joint ventures and associates in the total volume of 1,466 thousand tons of 143,653 million tenge (for the six months ended June 30, 2024: 3,995 thousand tons of crude oil in the total amount of 401,993 million tenge, including its share in the joint ventures and associates in the total volume of 1,337 thousand tons of crude oil in the total amount of 123,909 million tenge).

#### Commitments under subsoil use contracts

As at June 30, 2025, the Group had the following commitments (net of VAT) related to a minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

| <i>In millions of tenge</i> | Capital expenditures, including joint ventures and associates | Capital expenditures of joint ventures and associates | Operational expenditures, including joint ventures and associates | Operational expenditures of joint ventures and associates |
|-----------------------------|---------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------|
| <b>Year</b>                 |                                                               |                                                       |                                                                   |                                                           |
| 2025                        | 206,591                                                       | 22,615                                                | 49,123                                                            | 32,167                                                    |
| 2026                        | 198,103                                                       | 14,924                                                | 54,754                                                            | 12,821                                                    |
| 2027                        | 148,583                                                       | 11,894                                                | 19,493                                                            | 13,309                                                    |
| 2028                        | 153,217                                                       | 12,201                                                | 19,930                                                            | 13,946                                                    |
| 2029-2049                   | 175,953                                                       | 10,982                                                | 42,688                                                            | 14,544                                                    |
| <b>Total</b>                | <b>882,447</b>                                                | <b>72,616</b>                                         | <b>185,988</b>                                                    | <b>86,787</b>                                             |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 27. CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

As at December 31, 2024 commitments (net of VAT) related to a minimal working program included:

| <i>In millions of tenge</i> | Capital expenditures, including joint ventures and associates | Capital expenditures of joint ventures and associates | Operational expenses, including joint ventures and associates | Operational expenses of joint ventures and associates |
|-----------------------------|---------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------|
| <b>Year</b>                 |                                                               |                                                       |                                                               |                                                       |
| 2025                        | 360,885                                                       | 33,962                                                | 83,986                                                        | 57,911                                                |
| 2026                        | 229,843                                                       | 14,581                                                | 52,601                                                        | 12,821                                                |
| 2027                        | 144,476                                                       | 10,771                                                | 19,501                                                        | 13,309                                                |
| 2028                        | 152,571                                                       | 10,794                                                | 19,958                                                        | 13,946                                                |
| 2029-2049                   | 175,134                                                       | 9,334                                                 | 42,089                                                        | 14,544                                                |
| <b>Total</b>                | <b>1,062,909</b>                                              | <b>79,442</b>                                         | <b>218,135</b>                                                | <b>112,531</b>                                        |

#### Oil supply commitments

As of June 30, 2025, KMG Kashagan B.V., subsidiary of the Company, had commitments under the oil supply agreements in the total amount of 1.2 million tons. (December 31, 2024: 2.4 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.

#### Other contractual commitments

As at June 30, 2025, the Group, had other capital commitments related to acquisition and construction of long-term assets of approximately 121,024 million tenge, net of VAT, including its share in joint ventures commitments of 17,229 million (as at December 31, 2024: 136,221 million tenge, net of VAT, including its share in joint ventures commitments of 17,862 million tenge).

As at June 30, 2025, the Group had commitments in the total amount of 90,048 million tenge (as at December 31, 2024: 58,483 million tenge) under the investment programs approved by the joint order of Ministry of Energy of RK and Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of RK to facilitate production units.

### 28. SEGMENT REPORTING

The Group's operating segments have their own structure and management according to the type of the produced goods and services provided. Moreover, all segments are strategic directions of the business which offer different types of the goods and services in different markets. The functions have been defined as the operating segments of the Group because they are segments a) that engage in business activities from which revenues are generated and expenses incurred; b) whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions.

The Group's activity consists of three main operating segments: exploration and production of oil and gas, oil transportation, refining and trading of crude oil and refined products. The Group presents the Company's activities separately in Corporate segment, since the Company performs not only the functions of the parent company, but also carries out operational activities. The remaining operating segments have been aggregated and presented as other operating segment due to their insignificance.

Disaggregation of revenue by types of goods and services is presented in *Note 5* to these interim condensed consolidated financial statements.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

### 28. SEGMENT REPORTING (continued)

For the six months ended June 30, 2025 and 2024 disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

| For the six months ended June 30, 2025 (unaudited) |                                           |                    |                                                        |                |                |                  |
|----------------------------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
| <i>In millions of tenge</i>                        | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          | Total            |
| Sales of crude oil and gas                         | 381,549                                   | –                  | 1,993,575                                              | –              | –              | 2,375,124        |
| Sales of refined products                          | 2,724                                     | –                  | 1,083,615                                              | 536,353        | 8,111          | 1,630,803        |
| Refining of oil and oil products                   | –                                         | –                  | 125,193                                                | –              | –              | 125,193          |
| Oil transportation services                        | –                                         | 116,378            | 934                                                    | 2,986          | 114            | 120,412          |
| Other revenue                                      | 32,483                                    | 29,429             | 76,455                                                 | 992            | 109,603        | 248,962          |
| <b>Total</b>                                       | <b>416,756</b>                            | <b>145,807</b>     | <b>3,279,772</b>                                       | <b>540,331</b> | <b>117,828</b> | <b>4,500,494</b> |

| For the six months ended June 30, 2024 (unaudited) |                                           |                    |                                                        |                |               |                  |
|----------------------------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|---------------|------------------|
| <i>In millions of tenge</i>                        | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other         | Total            |
| Sales of crude oil and gas                         | 426,038                                   | –                  | 2,177,956                                              | –              | –             | 2,603,994        |
| Sales of refined products                          | 2,268                                     | –                  | 739,163                                                | 444,816        | 6,643         | 1,192,890        |
| Refining of oil and oil products                   | –                                         | –                  | 128,909                                                | –              | –             | 128,909          |
| Oil transportation services                        | –                                         | 115,886            | 753                                                    | 2,435          | 92            | 119,166          |
| Other revenue                                      | 13,027                                    | 25,975             | 71,076                                                 | 908            | 83,415        | 194,401          |
| <b>Total</b>                                       | <b>441,333</b>                            | <b>141,861</b>     | <b>3,117,857</b>                                       | <b>448,159</b> | <b>90,150</b> | <b>4,239,360</b> |

Segment performance is evaluated based on revenues, net profit and EBITDA, which are measured on the same basis as in the consolidated financial statements.

EBITDA is a supplemental non-IFRS financial measure used by management to evaluate segments performance, and is defined as earnings before depreciation, depletion and amortization, impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and assets classified as held for sale, exploration expenses, impairments of joint ventures and associates, finance income and expense, income tax expenses.

EBITDA, % is calculated as EBITDA of each reporting segment divided by the total EBITDA.

#### Geographic information

The Group's property, plant and equipment are located in the following countries:

| <i>In millions of tenge</i> | June 30, 2025 (unaudited) | December 31, 2024 (audited) |
|-----------------------------|---------------------------|-----------------------------|
| Kazakhstan                  | 7,020,191                 | 7,155,527                   |
| Other countries             | 661,766                   | 678,633                     |
|                             | <b>7,681,957</b>          | <b>7,834,160</b>            |

Eliminations and adjustments in the tables below represent the exclusion of intra-group turnovers. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily comply with market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****28. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for the six months ended June 30, 2025 and assets and liabilities as at June 30, 2025 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                       | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate        | Other            | Eliminations and adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|------------------|------------------|------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                         | 416,756                                   | 145,807            | 3,279,772                                              | 540,331          | 117,828          | -                            | 4,500,494         |
| Revenues from sales to other segments                                                                                                                                                                             | 820,154                                   | 77,749             | 110,563                                                | 44,727           | 72,498           | (1,125,691)                  | -                 |
| <b>Total revenue</b>                                                                                                                                                                                              | <b>1,236,910</b>                          | <b>223,556</b>     | <b>3,390,335</b>                                       | <b>585,058</b>   | <b>190,326</b>   | <b>(1,125,691)</b>           | <b>4,500,494</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                | (25,343)                                  | (10,265)           | (2,878,280)                                            | (350,060)        | (15,274)         | 852,452                      | (2,426,770)       |
| Production expenses                                                                                                                                                                                               | (334,379)                                 | (131,448)          | (223,288)                                              | (120,999)        | (168,270)        | 219,608                      | (758,776)         |
| Taxes other than income tax                                                                                                                                                                                       | (170,017)                                 | (11,132)           | (18,496)                                               | (75,640)         | (6,646)          | -                            | (281,931)         |
| Transportation and selling expenses                                                                                                                                                                               | (114,888)                                 | (328)              | (61,889)                                               | (7,627)          | -                | 39,049                       | (145,683)         |
| General and administrative expenses                                                                                                                                                                               | (25,464)                                  | (8,363)            | (26,811)                                               | (30,076)         | (13,149)         | 9,611                        | (94,252)          |
| Share in profit of joint ventures and associates, net                                                                                                                                                             | 211,609                                   | 88,530             | 48,290                                                 | -                | 308              | -                            | 348,737           |
| <b>EBITDA</b>                                                                                                                                                                                                     | <b>778,428</b>                            | <b>150,550</b>     | <b>229,861</b>                                         | <b>656</b>       | <b>(12,705)</b>  | <b>(4,971)</b>               | <b>1,141,819</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                  | <b>68%</b>                                | <b>13%</b>         | <b>20%</b>                                             | <b>0%</b>        | <b>(1%)</b>      | <b>0%</b>                    |                   |
| Depreciation, depletion and amortization                                                                                                                                                                          | (249,723)                                 | (22,410)           | (72,675)                                               | (1,536)          | (6,658)          | -                            | (353,002)         |
| Interest revenue calculated using the effective interest method                                                                                                                                                   | 18,804                                    | 6,900              | 6,876                                                  | 123,245          | 9,005            | (71,161)                     | 93,669            |
| Other finance income                                                                                                                                                                                              | 26                                        | 88                 | 106                                                    | 26,942           | -                | -                            | 27,162            |
| Finance costs                                                                                                                                                                                                     | (31,882)                                  | (11,340)           | (48,323)                                               | (118,082)        | (3,452)          | 49,066                       | (164,013)         |
| (Impairment)/reversal of impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses                                                           | (21,234)                                  | (132)              | 2,196                                                  | (299)            | 6                | -                            | (19,463)          |
| Gain from disposal of subsidiary                                                                                                                                                                                  | -                                         | -                  | -                                                      | 3,000            | -                | -                            | 3,000             |
| Foreign exchange (loss)/gain, net                                                                                                                                                                                 | (1,846)                                   | (521)              | (15,966)                                               | (4,579)          | 184              | -                            | (22,728)          |
| Expected credit losses                                                                                                                                                                                            | 1,556                                     | 520                | (774)                                                  | (10,310)         | (269)            | 5,301                        | (3,976)           |
| Other operating income/(expenses), net                                                                                                                                                                            | 1,779                                     | 10,735             | 3,890                                                  | 98,987           | (2,376)          | (108,606)                    | 4,409             |
| Income tax expenses                                                                                                                                                                                               | (63,637)                                  | (7,394)            | (18,611)                                               | (73,578)         | (9,280)          | -                            | (172,500)         |
| <b>Profit/(loss) for the period</b>                                                                                                                                                                               | <b>432,271</b>                            | <b>126,996</b>     | <b>86,580</b>                                          | <b>44,446</b>    | <b>(25,545)</b>  | <b>(130,371)</b>             | <b>534,377</b>    |
| <b>Other segment information</b>                                                                                                                                                                                  |                                           |                    |                                                        |                  |                  |                              |                   |
| Investments in joint ventures and associates                                                                                                                                                                      | 4,224,943                                 | 566,236            | 181,723                                                | -                | 189,432          | -                            | 5,162,334         |
| Capital expenditures                                                                                                                                                                                              | 171,349                                   | 18,940             | 42,019                                                 | 4,556            | 22,356           | -                            | 259,220           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets | (28,974)                                  | (7,387)            | (49,873)                                               | (35,688)         | (10,243)         | -                            | (132,165)         |
| <b>Assets of the segment</b>                                                                                                                                                                                      | <b>11,159,321</b>                         | <b>1,540,023</b>   | <b>2,917,670</b>                                       | <b>2,655,944</b> | <b>1,031,977</b> | <b>(251,069)</b>             | <b>19,053,866</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                 | <b>1,830,258</b>                          | <b>353,125</b>     | <b>1,856,823</b>                                       | <b>3,686,979</b> | <b>234,368</b>   | <b>(961,838)</b>             | <b>6,999,715</b>  |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)****28. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for the six months ended June 30, 2024 and assets and liabilities as at December 31, 2024 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                             | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and<br>trading of crude<br>oil and refined<br>products | Corporate | Other     | Eliminations and<br>adjustments | Total       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|-----------------------------------------------------------------|-----------|-----------|---------------------------------|-------------|
| Revenues from sales to external customers                                                                                                                                                                               | 441,333                                         | 141,861               | 3,117,857                                                       | 448,159   | 90,150    | –                               | 4,239,360   |
| Revenues from sales to other segments                                                                                                                                                                                   | 776,463                                         | 81,757                | 99,642                                                          | 53,899    | 83,526    | (1,095,287)                     | –           |
| <b>Total revenue</b>                                                                                                                                                                                                    | 1,217,796                                       | 223,618               | 3,217,499                                                       | 502,058   | 173,676   | (1,095,287)                     | 4,239,360   |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                      | (25,824)                                        | (8,962)               | (2,778,706)                                                     | (285,300) | (27,658)  | 786,311                         | (2,340,139) |
| Production expenses                                                                                                                                                                                                     | (292,233)                                       | (128,047)             | (187,953)                                                       | (122,848) | (130,145) | 222,241                         | (638,995)   |
| Taxes other than income tax                                                                                                                                                                                             | (212,908)                                       | (10,912)              | (8,594)                                                         | (64,503)  | (5,531)   | –                               | (302,448)   |
| Transportation and selling expenses                                                                                                                                                                                     | (105,512)                                       | (10,967)              | (49,729)                                                        | (6,240)   | (29)      | 40,913                          | (131,564)   |
| General and administrative expenses                                                                                                                                                                                     | (20,382)                                        | (7,523)               | (27,456)                                                        | (46,707)  | (11,607)  | 2,900                           | (110,775)   |
| Share in profit of joint ventures and associates, net                                                                                                                                                                   | 177,671                                         | 68,229                | 22,984                                                          | –         | (694)     | –                               | 268,190     |
| <b>EBITDA</b>                                                                                                                                                                                                           | 738,608                                         | 125,436               | 188,035                                                         | (23,540)  | (1,988)   | (42,922)                        | 983,629     |
| <b>EBITDA, %</b>                                                                                                                                                                                                        | 75%                                             | 13%                   | 19%                                                             | (2%)      | (1%)      | (4%)                            |             |
| Depreciation, depletion and amortization                                                                                                                                                                                | (227,140)                                       | (21,542)              | (66,544)                                                        | (1,881)   | (5,315)   | –                               | (322,422)   |
| Interest revenue calculated using the effective interest method                                                                                                                                                         | 13,287                                          | 5,468                 | 18,577                                                          | 122,061   | 6,391     | (68,838)                        | 96,946      |
| Other finance income                                                                                                                                                                                                    | 2,422                                           | 815                   | 123                                                             | 109,010   | 501       | –                               | 112,871     |
| Finance costs                                                                                                                                                                                                           | (21,208)                                        | (9,841)               | (55,105)                                                        | (115,373) | (2,481)   | 36,868                          | (167,140)   |
| (Impairment)/reversal of impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses                                                              | (16,826)                                        | (1)                   | –                                                               | –         | 3         | –                               | (16,824)    |
| Gain from disposal of subsidiary                                                                                                                                                                                        | –                                               | –                     | –                                                               | 16,410    | –         | –                               | 16,410      |
| Foreign exchange gain, net                                                                                                                                                                                              | 5,576                                           | 211                   | 1,621                                                           | 31,805    | 124       | –                               | 39,337      |
| Expected credit losses                                                                                                                                                                                                  | (2,104)                                         | (305)                 | 800                                                             | (6,432)   | (152)     | 1,531                           | (6,662)     |
| Other operating income/(expenses), net                                                                                                                                                                                  | 53,125                                          | 1,987                 | (2,541)                                                         | 12,905    | (1,282)   | (50,222)                        | 13,972      |
| Income tax expenses                                                                                                                                                                                                     | (106,929)                                       | (7,600)               | (30,471)                                                        | (52,813)  | (2,798)   | –                               | (200,611)   |
| <b>Profit/(loss) for the period</b>                                                                                                                                                                                     | 438,811                                         | 94,628                | 54,495                                                          | 92,152    | (6,997)   | (123,583)                       | 549,506     |
| <b>Other segment information</b>                                                                                                                                                                                        |                                                 |                       |                                                                 |           |           |                                 |             |
| Investments in joint ventures and associates                                                                                                                                                                            | 4,503,070                                       | 582,045               | 134,681                                                         | –         | 158,717   | –                               | 5,378,513   |
| Capital expenditures                                                                                                                                                                                                    | 179,617                                         | 12,155                | 78,325                                                          | (2,362)   | 13,899    | –                               | 281,634     |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and<br>receivables from related parties, other current financial assets and impairment of other<br>current non-financial assets | (30,523)                                        | (7,554)               | (54,589)                                                        | (31,966)  | (10,170)  | –                               | (134,802)   |
| <b>Assets of the segment</b>                                                                                                                                                                                            | 11,643,803                                      | 1,550,949             | 3,238,703                                                       | 2,254,912 | 601,821   | (355,541)                       | 18,934,647  |
| <b>Liabilities of the segment</b>                                                                                                                                                                                       | 1,967,848                                       | 362,981               | 1,814,519                                                       | 5,747,682 | 220,781   | (3,103,448)                     | 7,010,363   |

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited) (continued)**

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**29. SUBSEQUENT EVENTS**

On August 12, 2025, the Company received dividends from associate Caspian Pipeline Consortium in the amount of 22 million dollars USA (equivalent to 11,994 million tenge).

On July 9, 2025, at the General Meeting of Participants of KazRosGas LLP, dividends in favor of the Company in the amount of 19,157 million tenge were declared.

**Joint Stock Company**  
**“National Company “KazMunayGas”**

**Consolidated financial statements**

*For the year ended December 31, 2024*  
*with independent auditor's report*



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Independent auditor's report

**Consolidated financial statements**

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## Independent auditor's report

To the Shareholders, Board of Directors and Management of Joint Stock Company "National Company "KazMunayGas"

### Opinion

We have audited the consolidated financial statements of Joint Stock Company "National Company "KazMunayGas" and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



## **Key audit matter**

## **How our audit addressed the key audit matter**

### ***Impairment of non-current assets***

We consider this matter to be one of the matters of most significance in our audit due to materiality of the balances of non-current assets, including upstream, midstream and downstream assets, to the consolidated financial statements, the high level of subjectivity in respect of assumptions underlying the impairment analysis and significant judgements and estimates made by management.

Assumptions included discount rates, oil and petroleum products prices forecasts and inflation and exchange rate forecasts. Significant estimates included production forecast, future capital expenditure and oil and gas reserves available for development and production.

Information on the impairment tests performed for non-current assets is disclosed in **notes 4 and 14** to the consolidated financial statements.

We considered management's assessment of the existence of impairment indicators and where impairment indicators were identified, we involved our business valuation specialists in the testing of management's impairment analysis and calculation of recoverable amounts.

We analyzed the assumptions underlying management forecasts. We compared oil and petroleum products prices used in the calculation of recoverable amount to available market forecasts.

We compared the discount rates and long-term growth rates to general market indicators and other available evidence and checked the adjustments made by management when calculating the applicable discount rate.

We tested the mathematical accuracy of the impairment models and assessed the analysis of the sensitivity of the results of impairment tests to changes in assumptions.

We performed procedures to assess competence, capabilities and objectivity of the external experts engaged by the Group to estimate the volumes of oil and gas reserves and prepare impairment models.

We analysed disclosures on impairment test in the consolidated financial statements.

### ***Provisions and contingent liabilities***

Provisions are recognized and contingent liabilities are disclosed by the Group in respect of the results of the government inspections, and general legal proceedings, as well as other matters.

The assessment as to whether, or not, a liability should be recognized and whether the amounts can be reliably estimated involves estimation and judgement.

Predicting the outcome of the matter and estimating the potential impact in case of an unfavourable outcome represent a complex process, and the potential impact on the consolidated financial statements may be significant.

We considered provisions and contingent liabilities to be one of the matters of most significance in our audit because of their significance to the consolidated financial statements, the significant judgment and events occurred in 2024.

Information on provisions, contingent liabilities and commitments is disclosed in *notes 29 and 35* to the consolidated financial statements.

We inquired the Group's management and legal department for instances of non-compliance with laws and regulations and the status of any pending and ongoing litigations, claims and proceedings. We obtained legal letters from internal legal advisers.

We inspected relevant correspondence, the minutes of the meetings of the Group's management and Board of Directors.

We analysed the most significant legal cases and discussed them with the Group's legal department. We have engaged our internal legal and tax specialist for the analysis.

We analysed the Group's management's estimates underlying the amounts recognized as provisions in the consolidated financial statements and assessed judgements in respect of the probability of potential outcomes of contingent liabilities in the consolidated financial statements.

We analysed the related disclosures in the consolidated financial statements.

### ***Other information included in the Group's 2024 annual report***

Other information consists of the information included in the Group's 2024 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



### ***Responsibilities of management and the Audit Committee for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### ***Auditor's responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

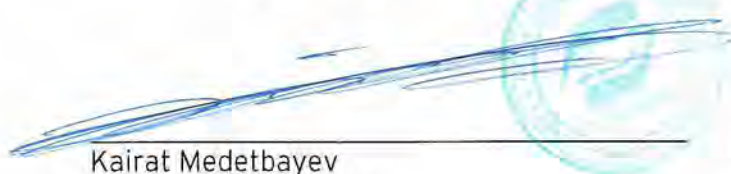
We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Kairat Medetbayev.

*Ernst & Young LLP*



Kairat Medetbayev  
Auditor

Auditor Qualification Certificate  
No. МФ-0000137 dated 8 February 2013

050060, Republic of Kazakhstan, Almaty  
Al-Farabi ave., 77/7, Esentai Tower

5 March 2025



Rustamzhan Sattarov  
General Director  
Ernst and Young LLP

State Audit License for audit activities on  
the territory of the Republic of Kazakhstan:  
series МФЮ-2, № 0000003, issued by the  
Ministry of Finance of the Republic of  
Kazakhstan on 15 July 2005

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For the year ended December 31, 2024**

| <i>In millions of tenge</i>                                                                                                       | <b>Note</b> | <b>2024</b>        | <b>2023<br/>(restated)*</b> |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------|-----------------------------|
| <b>Revenue and other income</b>                                                                                                   |             |                    |                             |
| Revenue from contracts with customers                                                                                             | 7           | 8,330,261          | 8,319,543                   |
| Share in profit of joint ventures and associates, net                                                                             | 8           | 531,230            | 534,177                     |
| Gain from disposal of subsidiary                                                                                                  | 5           | 16,410             | 186,225                     |
| Interest revenue calculated using the effective interest method                                                                   | 15          | 184,392            | 139,449                     |
| Other finance income                                                                                                              | 15          | 123,290            | 7,332                       |
| Other operating income                                                                                                            |             | 52,377             | 55,378                      |
| <b>Total revenue and other income</b>                                                                                             |             | <b>9,237,960</b>   | <b>9,242,104</b>            |
| <b>Costs and expenses</b>                                                                                                         |             |                    |                             |
| Cost of purchased oil, gas, petroleum products and other materials                                                                | 9           | (4,347,011)        | (4,621,881)                 |
| Production expenses                                                                                                               | 10          | (1,398,604)        | (1,219,722)                 |
| Taxes other than income tax                                                                                                       | 11          | (592,984)          | (594,080)                   |
| Depreciation, depletion and amortization                                                                                          | 36          | (642,666)          | (599,543)                   |
| Transportation and selling expenses                                                                                               | 12          | (267,824)          | (245,525)                   |
| General and administrative expenses                                                                                               | 13          | (254,148)          | (165,897)                   |
| Impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses | 14          | (69,733)           | (248,140)                   |
| Finance costs                                                                                                                     | 15          | (346,096)          | (321,630)                   |
| Foreign exchange gain, net                                                                                                        |             | 185,459            | 25,222                      |
| Expected credit losses                                                                                                            |             | (8,316)            | (11,874)                    |
| Other expenses                                                                                                                    |             | (38,703)           | (42,564)                    |
| <b>Total costs and expenses</b>                                                                                                   |             | <b>(7,780,626)</b> | <b>(8,045,634)</b>          |
| <b>Profit before income tax</b>                                                                                                   |             | <b>1,457,334</b>   | <b>1,196,470</b>            |
| Income tax expenses                                                                                                               | 32          | (363,087)          | (269,792)                   |
| <b>Net profit for the year</b>                                                                                                    |             | <b>1,094,247</b>   | <b>926,678</b>              |

*The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.*



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

| <i>In millions of tenge</i>                                                                                             | <b>Note</b> | <b>2024</b>      | <b>2023<br/>(restated)*</b> |
|-------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-----------------------------|
| <b>Other comprehensive income/(loss)</b>                                                                                |             |                  |                             |
| <i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods</i>                     |             |                  |                             |
| Hedging effect                                                                                                          |             | (1,463)          | 849                         |
| Exchange differences on translation of foreign operations                                                               |             | 1,492,858        | (176,614)                   |
| Net (loss)/gain on hedge of a net investment                                                                            | 27          | (358,847)        | 46,152                      |
| Tax effect                                                                                                              |             | (90,712)         | 11,101                      |
| <b>Net other comprehensive income/(loss) to be reclassified to profit or loss in the subsequent periods, net of tax</b> |             | <b>1,041,836</b> | <b>(118,512)</b>            |
| <i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods</i>                 |             |                  |                             |
| Actuarial gain on defined benefit plans of the Group                                                                    |             | 870              | 341                         |
| Actuarial gain on defined benefit plans of the joint ventures                                                           |             | 114              | 651                         |
| Tax effect                                                                                                              |             | 1                | (327)                       |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax</b>    |             | <b>985</b>       | <b>665</b>                  |
| <b>Net other comprehensive income/(loss) for the year, net of tax</b>                                                   |             | <b>1,042,821</b> | <b>(117,847)</b>            |
| <b>Total comprehensive income for the year, net of tax</b>                                                              |             | <b>2,137,068</b> | <b>808,831</b>              |
| <b>Net profit/(loss) for the year attributable to:</b>                                                                  |             |                  |                             |
| Equity holders of the Parent Company                                                                                    |             | 1,094,438        | 962,700                     |
| Non-controlling interests                                                                                               |             | (191)            | (36,022)                    |
|                                                                                                                         |             | <b>1,094,247</b> | <b>926,678</b>              |
| <b>Total comprehensive income/(loss) for the year attributable to:</b>                                                  |             |                  |                             |
| Equity holders of the Parent Company                                                                                    |             | 2,136,253        | 845,194                     |
| Non-controlling interests                                                                                               |             | 815              | (36,363)                    |
|                                                                                                                         |             | <b>2,137,068</b> | <b>808,831</b>              |
| <b>Earnings per share** – tenge thousands</b>                                                                           |             |                  |                             |
| Basic and diluted                                                                                                       | 26          | 1.794            | 1.578                       |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 6.

\*\* The number of ordinary shares as of December 31, 2024 and 2023 equaled to 610,119,493.

Deputy Chairman of the Management Board



*D.A. Anyssova*

Chief accountant

*A.S. Yesbergenova*

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2024**

| <i>In millions of tenge</i>                    | <b>Note</b> | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023 (restated)*</b> |
|------------------------------------------------|-------------|------------------------------|------------------------------------------|
| <b>Assets</b>                                  |             |                              |                                          |
| <b>Non-current assets</b>                      |             |                              |                                          |
| Exploration and evaluation assets              | 17          | 216,448                      | 174,187                                  |
| Property, plant and equipment                  | 16          | 7,834,160                    | 7,171,242                                |
| Investment property                            |             | 12,374                       | 19,383                                   |
| Intangible assets                              | 18          | 943,156                      | 883,283                                  |
| Right-of-use assets                            | 19          | 122,991                      | 101,765                                  |
| Investments in joint ventures and associates   | 21          | 5,378,513                    | 4,821,427                                |
| VAT receivable                                 |             | 30,396                       | 30,360                                   |
| Advances for non-current assets                |             | 88,216                       | 50,954                                   |
| Other non-current non-financial assets         |             | 7,767                        | 4,192                                    |
| Loans and receivables due from related parties | 24          | 121,673                      | 94,334                                   |
| Other non-current financial assets             |             | 48,249                       | 23,217                                   |
| Long-term bank deposits                        | 20          | 74,329                       | 63,891                                   |
| Deferred income tax assets                     | 32          | 50,705                       | 65,829                                   |
|                                                |             | <b>14,928,977</b>            | <b>13,504,064</b>                        |
| <b>Current assets</b>                          |             |                              |                                          |
| Inventories                                    | 22          | 413,741                      | 376,444                                  |
| Trade accounts receivable                      | 23          | 443,057                      | 561,258                                  |
| VAT receivable                                 |             | 48,408                       | 60,523                                   |
| Income tax prepaid                             | 32          | 41,170                       | 33,051                                   |
| Other current non-financial assets             | 23          | 180,754                      | 157,257                                  |
| Loans and receivables due from related parties | 24          | 84,240                       | 125,569                                  |
| Other current financial assets                 | 23          | 63,528                       | 74,870                                   |
| Short-term bank deposits                       | 20          | 1,513,816                    | 997,012                                  |
| Cash and cash equivalents                      | 25          | 1,216,451                    | 1,050,873                                |
|                                                |             | <b>4,005,165</b>             | <b>3,436,857</b>                         |
| Assets classified as held for sale             |             | <b>505</b>                   | <b>180</b>                               |
|                                                |             | <b>4,005,670</b>             | <b>3,437,037</b>                         |
| <b>Total assets</b>                            |             | <b>18,934,647</b>            | <b>16,941,101</b>                        |

*The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

| <i>In millions of tenge</i>                                 | <i>Note</i> | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023 (restated)*</b> |
|-------------------------------------------------------------|-------------|------------------------------|------------------------------------------|
| <b>Equity and liabilities</b>                               |             |                              |                                          |
| <b>Equity</b>                                               |             |                              |                                          |
| Share capital                                               | 26          | 916,541                      | 916,541                                  |
| Additional paid-in capital                                  |             | 1,142                        | 1,142                                    |
| Other equity                                                |             | (2,373)                      | (910)                                    |
| Currency translation reserve                                |             | 5,132,868                    | 4,090,281                                |
| Retained earnings                                           |             | 5,985,894                    | 5,488,964                                |
| <b>Attributable to equity holders of the Parent Company</b> |             | <b>12,034,072</b>            | <b>10,496,018</b>                        |
| Non-controlling interests                                   | 26          | (109,788)                    | (99,404)                                 |
| <b>Total equity</b>                                         |             | <b>11,924,284</b>            | <b>10,396,614</b>                        |
| <b>Non-current liabilities</b>                              |             |                              |                                          |
| Borrowings                                                  | 27          | 3,644,111                    | 3,365,736                                |
| Lease liabilities                                           | 28          | 103,334                      | 87,880                                   |
| Other non-current financial liabilities                     | 30          | 7,096                        | 18,743                                   |
| Provisions                                                  | 29          | 308,129                      | 306,219                                  |
| Employee benefit liabilities                                |             | 75,999                       | 70,975                                   |
| Other non-current non-financial liabilities                 | 30          | 36,175                       | 37,777                                   |
| Deferred income tax liabilities                             | 32          | 1,391,836                    | 1,122,939                                |
|                                                             |             | <b>5,566,680</b>             | <b>5,010,269</b>                         |
| <b>Current liabilities</b>                                  |             |                              |                                          |
| Trade accounts payable                                      | 30          | 598,787                      | 663,930                                  |
| Borrowings                                                  | 27          | 323,290                      | 391,358                                  |
| Lease liabilities                                           | 28          | 20,882                       | 17,400                                   |
| Other current financial liabilities                         | 30          | 169,150                      | 145,953                                  |
| Provisions                                                  | 29          | 19,524                       | 33,576                                   |
| Employee benefit liabilities                                |             | 6,516                        | 5,703                                    |
| Income tax payable                                          | 32          | 15,600                       | 28,285                                   |
| Other taxes payable                                         | 31          | 83,631                       | 116,500                                  |
| Other current non-financial liabilities                     | 30          | 206,303                      | 131,513                                  |
|                                                             |             | <b>1,443,683</b>             | <b>1,534,218</b>                         |
| <b>Total liabilities</b>                                    |             | <b>7,010,363</b>             | <b>6,544,487</b>                         |
| <b>Total equity and liabilities</b>                         |             | <b>18,934,647</b>            | <b>16,941,101</b>                        |
| <b>Book value per ordinary share** – tenge thousands</b>    | <b>26</b>   | <b>17.998</b>                | <b>15.593</b>                            |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 6.

\*\* The average number of ordinary shares as of December 31, 2024 and 2023 equaled to 610,119,493. Presentation of Book value per ordinary share is a non-IFRS measure required by KASE.

Deputy Chairman of the Management Board



Chief accountant

  
D.A. Aryssova



A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS****For the year ended December 31, 2024**

| <i>In millions of tenge</i>                                                                                                       | <b>Note</b> | <b>2024</b>      | <b>2023<br/>(restated)*</b> |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                                                                                       |             |                  |                             |
| Profit before income tax                                                                                                          |             | 1,457,334        | 1,196,470                   |
| <b>Adjustments:</b>                                                                                                               |             |                  |                             |
| Depreciation, depletion and amortization                                                                                          | 36          | 642,666          | 599,543                     |
| Impairment of property, plant and equipment, intangible assets,<br>non-current advances for fixed assets and exploration expenses | 14          | 69,733           | 248,140                     |
| Gain on disposal of subsidiary                                                                                                    | 5           | (16,410)         | (186,225)                   |
| Realized gain from derivatives on petroleum products                                                                              | 10          | (19,502)         | (69)                        |
| Interest revenue calculated using the effective interest method                                                                   | 15          | (184,392)        | (139,449)                   |
| Other finance income                                                                                                              | 15          | (123,290)        | (7,332)                     |
| Finance costs                                                                                                                     | 15          | 346,096          | 321,630                     |
| Loss on disposal of joint venture                                                                                                 |             | 1,928            | 90                          |
| Share in profit of joint ventures and associates, net                                                                             | 8           | (531,230)        | (534,177)                   |
| Movements in provisions                                                                                                           |             | (15,912)         | (6,158)                     |
| Net foreign exchange gain                                                                                                         |             | (184,029)        | (29,107)                    |
| Write-off of inventories to net realizable value                                                                                  |             | 942              | 4,646                       |
| Loss on disposal of property, plant and equipment, intangible<br>assets, investment property and assets held for sale, net        |             | 5,241            | 501                         |
| Impairment/(reversal of impairment) of VAT receivable                                                                             | 13          | 7,063            | (282)                       |
| Change in financial guarantees                                                                                                    |             | 1,765            | 344                         |
| VAT non-recoverable                                                                                                               | 13          | 1,237            | 5,811                       |
| Allowance of expected credit loss                                                                                                 |             | 8,316            | 11,874                      |
| <b>Operating profit before working capital changes</b>                                                                            |             | <b>1,467,556</b> | <b>1,486,250</b>            |
| Change in VAT receivable                                                                                                          |             | 6,180            | (37,306)                    |
| Change in inventory                                                                                                               |             | 36,690           | (76,763)                    |
| Change in trade accounts receivable and other current assets                                                                      |             | 199,936          | 4,630                       |
| Change in trade and other payables and contract liabilities                                                                       |             | (142,667)        | 78,727                      |
| Change in other taxes payable                                                                                                     |             | (134,049)        | (127,565)                   |
| <b>Cash generated from operations</b>                                                                                             |             | <b>1,433,646</b> | <b>1,327,973</b>            |
| Dividends received from joint ventures and associates                                                                             | 21          | 701,104          | 619,826                     |
| Income taxes paid                                                                                                                 |             | (182,227)        | (147,166)                   |
| Interest received                                                                                                                 |             | 138,511          | 123,389                     |
| Interest paid                                                                                                                     | 27, 28      | (247,182)        | (256,408)                   |
| <b>Net cash flow from operating activities</b>                                                                                    |             | <b>1,843,852</b> | <b>1,667,614</b>            |

*The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.*



**CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

| <i>In millions of tenge</i>                                                                                     | <b>Note</b> | <b>2024</b>        | <b>2023<br/>(restated)*</b> |
|-----------------------------------------------------------------------------------------------------------------|-------------|--------------------|-----------------------------|
| <b>Cash flows from investing activities</b>                                                                     |             |                    |                             |
| Placement of bank deposits                                                                                      |             | (2,068,061)        | (1,460,352)                 |
| Withdrawal of bank deposits                                                                                     |             | 1,734,453          | 1,614,940                   |
| Acquisition of subsidiary, net of cash acquired                                                                 | 6           | -                  | (156,388)                   |
| Deferred consideration paid for the acquisition of subsidiary                                                   | 26, 33      | (1,520)            | (163,770)                   |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets              |             | (644,752)          | (683,439)                   |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale |             | 1,939              | 3,317                       |
| Proceeds from disposal of subsidiary, net of cash disposed                                                      | 5           | 8,010              | 94,624                      |
| Proceeds from disposal of share in joint venture                                                                |             | 12,995             | -                           |
| Additional contributions to joint ventures without changes in ownership                                         | 21          | (74,209)           | (20,117)                    |
| Loans given to related parties                                                                                  | 33          | (67,980)           | (44,672)                    |
| Repayment of loans due from related parties                                                                     | 33          | 45,023             | 35,963                      |
| Acquisition of debt securities                                                                                  |             | (18,041)           | (7,063)                     |
| Proceeds from sale of debt securities                                                                           |             | 13,736             | 289                         |
| Guaranteed and other payments receivable from a joint venture participant                                       |             | 9,905              | -                           |
| Redeem of notes of the National Bank of RK                                                                      | 33          | 308,147            | 451,598                     |
| Acquisition of notes of the National Bank of RK                                                                 | 33          | (302,600)          | (425,263)                   |
| Other                                                                                                           |             | -                  | 697                         |
| <b>Net cash flows used in investing activities</b>                                                              |             | <b>(1,042,955)</b> | <b>(759,636)</b>            |
| <b>Cash flows from financing activities</b>                                                                     |             |                    |                             |
| Proceeds from borrowings                                                                                        | 27          | 214,894            | 385,304                     |
| Repayment of borrowings                                                                                         | 27          | (647,409)          | (666,232)                   |
| Dividends paid to shareholders                                                                                  | 26          | (300,002)          | (300,002)                   |
| Dividends paid to non-controlling interests                                                                     | 26          | (2,759)            | (1,572)                     |
| Distribution of net assets of KazMunayGas Exploration Production JSC to non-controlling interest                |             | (5,901)            | -                           |
| Distributions to Samruk-Kazyna                                                                                  | 26          | (2,059)            | (120)                       |
| Contribution from the related party                                                                             | 26          | -                  | 14,155                      |
| Payment of principal portion of lease liabilities                                                               | 28          | (26,118)           | (26,933)                    |
| Proceeds from the repo agreements                                                                               |             | 22,074             | -                           |
| Repayment of the repo agreements                                                                                |             | (22,074)           | -                           |
| Other operations with Samruk-Kazyna                                                                             | 26          | (6,652)            | (8,962)                     |
| Other                                                                                                           |             | (4,554)            | -                           |
| <b>Net cash flows used in financing activities</b>                                                              |             | <b>(780,560)</b>   | <b>(604,362)</b>            |
| Effects of exchange rate changes on cash and cash equivalents                                                   |             | 145,268            | (15,942)                    |
| Change in allowance for expected credit losses                                                                  |             | (27)               | 14                          |
| <b>Net change in cash and cash equivalents</b>                                                                  |             | <b>165,578</b>     | <b>287,688</b>              |
| Cash and cash equivalents, at the beginning of the year                                                         |             | 1,050,873          | 763,185                     |
| <b>Cash and cash equivalents, at the end of the year</b>                                                        |             | <b>1,216,451</b>   | <b>1,050,873</b>            |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 6.

**Non-cash transactions**

For the year ended December 31, 2024, accounts payable for purchases of property, plant and equipment decreased by 12,851 million tenge (2023: increased by 69,734 million tenge).

Deputy Chairman of the Management Board

Chief accountant



*[Signature]*  
D.A. Aryssova

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

| In millions of tenge                                                 | Attributable to equity holders of the Parent Company |                            |              |                              |                   | Non-controlling interests | Total      |
|----------------------------------------------------------------------|------------------------------------------------------|----------------------------|--------------|------------------------------|-------------------|---------------------------|------------|
|                                                                      | Share capital                                        | Additional paid-in capital | Other equity | Currency translation reserve | Retained earnings |                           |            |
| As at December 31, 2022                                              | 916,541                                              | 1,142                      | (1,759)      | 4,209,612                    | 4,803,431         | (61,541)                  | 9,867,426  |
| Net profit/(loss) for the year (restated)*                           | -                                                    | -                          | -            | -                            | 962,700           | (36,022)                  | 926,678    |
| Other comprehensive income/(loss)                                    | -                                                    | -                          | 849          | (119,331)                    | 976               | (341)                     | (117,847)  |
| Total comprehensive income/(loss) (restated)*                        | -                                                    | -                          | 849          | (119,331)                    | 963,676           | (36,363)                  | 808,831    |
| Dividends (Note 26)                                                  | -                                                    | -                          | -            | -                            | (300,002)         | (1,500)                   | (301,502)  |
| Distributions to Samruk-Kazyna (Note 26)                             | -                                                    | -                          | -            | -                            | (120)             | -                         | (120)      |
| Other operations with Samruk-Kazyna (Note 26)                        | -                                                    | -                          | -            | -                            | (17,925)          | -                         | (17,925)   |
| Acquisition of Polymer Production LLP under common control (Note 26) | -                                                    | -                          | -            | -                            | (1,520)           | -                         | (1,520)    |
| Transactions with Samruk-Kazyna (Note 26)                            | -                                                    | -                          | -            | -                            | 26,597            | -                         | 26,597     |
| Contribution from the related party (Note 26)                        | -                                                    | -                          | -            | -                            | 14,827            | -                         | 14,827     |
| As at December 31, 2023 (restated)*                                  | 916,541                                              | 1,142                      | (910)        | 4,090,281                    | 5,488,964         | (99,404)                  | 10,396,614 |

The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

| In millions of tenge                                            | Attributable to equity holders of the Parent Company |                            |                |                              |                   | Non-controlling interests | Total             |
|-----------------------------------------------------------------|------------------------------------------------------|----------------------------|----------------|------------------------------|-------------------|---------------------------|-------------------|
|                                                                 | Share capital                                        | Additional paid-in capital | Other equity   | Currency translation reserve | Retained earnings |                           |                   |
| As at December 31, 2023 (restated) *                            | 916,541                                              | 1,142                      | (910)          | 4,090,281                    | 5,488,964         | (99,404)                  | 10,396,614        |
| Net profit/(loss) for the year                                  | -                                                    | -                          | -              | -                            | 1,094,438         | (191)                     | 1,094,247         |
| Other comprehensive (loss)/income                               | -                                                    | -                          | (1,463)        | 1,042,587                    | 691               | 1,006                     | 1,042,821         |
| <b>Total comprehensive income/(loss)</b>                        | -                                                    | -                          | (1,463)        | 1,042,587                    | 1,095,129         | 815                       | 2,137,068         |
| Dividends (Note 26)                                             | -                                                    | -                          | -              | -                            | (300,002)         | (2,820)                   | (302,822)         |
| Distributions to Samruk-Kazyna (Note 26)                        | -                                                    | -                          | -              | -                            | (16)              | -                         | (16)              |
| Other operations with Samruk-Kazyna (Note 26)                   | -                                                    | -                          | -              | -                            | (1,989)           | -                         | (1,989)           |
| Transactions with Samruk-Kazyna (Note 26)                       | -                                                    | -                          | -              | -                            | (296,192)         | -                         | (296,192)         |
| Effect of liquidation of KazMunayGas Exploration Production JSC | -                                                    | -                          | -              | -                            | -                 | (8,379)                   | (8,379)           |
| <b>As at December 31, 2024</b>                                  | <b>916,541</b>                                       | <b>1,142</b>               | <b>(2,373)</b> | <b>5,132,868</b>             | <b>5,985,894</b>  | <b>(109,788)</b>          | <b>11,924,284</b> |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 6.

Deputy Chairman of the Management Board


  
D.A. Aryssova


Chief accountant


  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 87 form an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**1. GENERAL**

Joint stock company “National Company “KazMunayGas” (further the Company, JSC NC “KazMunayGas” or Parent Company) is oil and gas enterprise of the Republic of Kazakhstan (further RK), which was established on February 27, 2002 as a closed joint stock company pursuant to the Decree No. 811 of the President of the RK dated February 20, 2002 and the resolution of the Government of the RK (further the Government) No. 248 dated February 25, 2002. The Company was formed as a result of the merger of closed joint stock companies “National Oil and Gas Company KazakhOil” and “National Company Transport Nefti i Gaza”. As the result of the merger, all assets and liabilities, including ownership interest in all entities owned by these companies, have been transferred to the Company. The Company was reregistered as a joint stock company in accordance with the legislation of the RK in March 2004.

Starting from June 8, 2006, the sole shareholder of the Company was joint stock company “Kazakhstan Holding Company for State Assets Management “Samruk”, which in October 2008 was merged with the state owned Sustainable Development Fund “Kazyna” and formed joint stock company “National Welfare Fund Samruk-Kazyna”, now renamed to joint stock company “Sovereign Wealth Fund Samruk-Kazyna” (further Samruk-Kazyna). The Government is the sole shareholder of Samruk-Kazyna.

On August 7, 2015, the National Bank of RK (further NB RK) purchased 9.58% plus one share of the Company from Samruk-Kazyna. From December 8, 2022, 3.00% of shares of the Company are freely available on the Astana International Exchange (further AIX) and the Kazakhstan Stock Exchange (further KASE) stock exchanges.

On December 22, 2023, 20.00% of the Company’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the Republic of Kazakhstan.

As at December 31, 2024, the Company has interest in 64 operating companies (as of December 31, 2023: 61) (jointly “the Group”).

The Company has its registered office in the RK, Astana, Dinmukhamed Kunayev, 8.

The principal activity of the Group includes, but is not limited, to the following:

- Participation in the development and implementation of the uniform public policy in the oil and gas sector;
- Representation of the state interests in subsoil use contracts through interest participation in those contracts; and
- Corporate governance and monitoring of exploration, development, production, oil servicing, processing, petrochemistry, transportation and sale of hydrocarbons and the designing, construction and maintenance of oil-and-gas pipeline and field infrastructure.

The consolidated financial statements comprise the financial statements of the Company and its controlled subsidiaries (*Note 3*).

These consolidated financial statements of the Group were approved for issue by the Deputy Chairman of the Management Board and the Chief accountant on March 5, 2025.

**2. BASIS OF PREPARATION**

These consolidated financial statements have been prepared on a historical cost basis, except as described in the accounting policies and the notes to these consolidated financial statements. All values in these consolidated financial statements are rounded to the nearest millions, except when otherwise indicated.

**Statement of compliance**

These consolidated financial statements of the Group have been prepared in accordance with IFRS accounting standards as issued by International Accounting Standards Board (IASB).

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group consolidated financial statements are disclosed in *Note 4*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**2. BASIS OF PREPARATION (continued)****Statement of compliance (continued)**

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern. The Management of the Group consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

**Foreign currency translation***Functional and presentation currency*

Items included in the financial statements of each of the Group's entities included in these consolidated financial statements are measured using the currency of the primary economic environment in which the entities operate (the functional currency). The consolidated financial statements are presented in Kazakhstani tenge (tenge or KZT), which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

*Group Companies*

The results and financial position of all of the Group's subsidiaries, joint ventures and associates (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

*Exchange rates*

Weighted average currency exchange rates established by KASE are used as official currency exchange rates in the Republic of Kazakhstan. The currency exchange rate of KASE as at December 31, 2024 was 525.11 tenge to 1 United States dollar (US dollar). This rate was used to translate monetary assets and liabilities denominated in US dollar as at December 31, 2024 (December 31, 2023: 454.56 tenge to 1 US dollar). The currency exchange rate of KASE as at March 5, 2025 was 496.71 tenge to 1 US dollar. For the year ended December 31, 2024, the Group had net foreign exchange gain of 185,459 million tenge due to fluctuations in foreign exchange rates to tenge.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION****Changes in accounting policies and disclosures***New and amended standards and interpretations*

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards and interpretations effective as of January 1, 2024.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the consolidated financial statements of the Group.

The Group presented only the list of standards effective and applicable for the Group.

*Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*

In May 2023, the IASB issued amendments to *IAS 7 Statement of Cash Flows* and *IFRS 7 Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group’s consolidated financial statements.

*Amendments to IFRS 16: Lease Liability in a Sale and Leaseback*

In September 2022, the IASB issued amendments to *IFRS 16* to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group’s consolidated financial statements.

*Amendments to IAS 1: Classification of Liabilities as Current or Non-current*

In January 2020 and October 2022, the IASB issued amendments to *paragraphs 69 to 76 of IAS 1* to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group’s consolidated financial statements. The Group disclosed the information on compliance with covenants under the terms of the loan agreements in *Note 27*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Standards issued but not yet effective**

There are new pronouncements issued as at December 31, 2024:

- *Lack of exchangeability* – Amendments to IAS 21 (issued in August 2023);
- *IFRS 18 Presentation and Disclosure in Financial Statements* (issued in April 2024);
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures* (issued in May 2024);
- *Contracts Referencing Nature-dependent Electricity* – Amendments to IFRS 9 and IFRS 7 (issued in December 2024);
- *Annual Improvements Volume 11* (issued in July 2024);
- *Amendments to the Classification and Measurement of Financial Instruments* – Amendments to IFRS 9 and IFRS 7 (issued in May 2024).

The amendments are not expected to have a material impact on the Group’s consolidated financial statements, except for IFRS 18 *Presentation and Disclosure in Financial Statements*. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

**Amended standards the Group applied the exception to recognizing and disclosing information in 2023***Pillar 2**International Tax Reform – Pillar II Model Rules - Amendments to IAS 12 Income Taxes*

The amendments to IAS 12 have been introduced in response to the OECD’s BEPS Pillar II rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar II model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity’s exposure to Pillar II income taxes arising from that legislation, particularly before its effective date.

The Group is part of Samruk-Kazyna Group that is a multinational enterprise with revenue in excess of 750 million Euro per consolidated financial statements of the international group for the financial year, immediately preceding the reporting financial year, using the arithmetic average market exchange rate determined in accordance with the tax legislation of the Republic of Kazakhstan for the respective financial year.

Samruk-Kazyna is a parent entity of the international group. Entities of the multinational enterprise are presented in the following jurisdictions where Pillar II Model Rules have been enacted (or substantially enacted), entering into force in tax years 2024 and beyond: the Republic of Bulgaria, Federal Republic of Germany, Kingdom of the Netherlands, Romania, the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland.

The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar II income taxes in 2023.

In 2024, the Group, based on operational financial information for 2024, assessed the preliminary potential impact associated with the implementation of the Pillar II Model Rules at the legislative level.

Based on the results of its assessment, the Group has identified that preliminary potential income tax risk on profits determined under the Pillar II model rules and earned by certain companies with above-mentioned jurisdictions is not material to the consolidated financial statements of the Group.

The Group continues to progress on the assessment.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has: power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee, and; the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: the contractual arrangement with the other vote holders of the investee; rights arising from other contractual arrangements; the Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, revenue and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Profit or loss and each component of other comprehensive income are attributable to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

**Subsidiaries**

As at December 31, 2024 and 2023, the following direct significant subsidiaries were included in these consolidated financial statements:

| Significant entities                                            | Main activity                          | Country of incorporation | Percentage ownership |                   |
|-----------------------------------------------------------------|----------------------------------------|--------------------------|----------------------|-------------------|
|                                                                 |                                        |                          | December 31, 2024    | December 31, 2023 |
| KazMunayTeniz LLP                                               | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| KMG Karachaganak LLP                                            | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| Kazakhturkmunay LLP                                             | Exploration and production             | Kazakhstan               | 100%                 | 100%              |
| KMG Kashagan B.V.                                               | Exploration and production             | Netherlands              | 100%                 | 100%              |
| Ozenmunaigas JSC                                                | Exploration and production             | Kazakhstan               | 100%                 | –                 |
| Embamunaigas JSC                                                | Exploration and production             | Kazakhstan               | 100%                 | –                 |
| Dunga Operating GmbH (Note 6)                                   | Production                             | Kazakhstan               | 100%                 | 100%              |
| KazTransOil JSC (further KTO)                                   | Oil transportation                     | Kazakhstan               | 90%                  | 90%               |
| KazMorTransFlot LLP                                             | Oil transportation and construction    | Kazakhstan               | 100%                 | 100%              |
| Cooperative KazMunayGas PKI U.A.                                | Refinery and marketing of oil products | Netherlands              | 100%                 | 100%              |
| Atyrau Refinery LLP (further Atyrau Refinery)                   | Refinery                               | Kazakhstan               | 99.53%               | 99.53%            |
| Pavlodar oil chemistry refinery LLP (further Pavlodar refinery) | Refinery                               | Kazakhstan               | 100%                 | 100%              |
| KMG International N.V. (further KMG I)                          | Refinery and marketing of oil products | Romania                  | 100%                 | 100%              |
| KMG Drilling&Services LLP                                       | Drilling services                      | Kazakhstan               | 100%                 | 100%              |
| KazMunayGas Exploration Production JSC (further KMG EP)         | Exploration and production             | Kazakhstan               | –                    | 99.72%            |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in general and administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. If the contingent consideration is not within the scope of IFRS 9, it is measured at fair value through profit and loss. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

*Acquisition of subsidiaries from parties under common control*

Acquisitions of subsidiaries from parties under common control are accounted for using the pooling of interest method.

The assets and liabilities of the subsidiary transferred under common control are recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Related goodwill, if any, inherent in the Predecessor's original acquisition is also recorded in the consolidated financial statements. Any difference between the total book value of net assets, including the Predecessor's goodwill, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

The consolidated financial statements, including corresponding figures, are presented as if the subsidiary had been acquired by the Group on the date it was originally acquired by the Predecessor.

*Acquisition of joint ventures and associates from parties under common control*

Acquisition of joint ventures and associates from parties under common control are accounted for using the pooling of interest method.

The Group's share in the assets and liabilities of the joint ventures and associates transferred under common control is recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Any difference between the Group's share in the total book value of net assets, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Investments in associates and joint ventures**

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint venture and associates are accounted for using the equity method.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the joint venture or associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognized directly in the equity of the joint venture or associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

The aggregate of the Group's share in profit or loss of a joint venture and an associate is shown on the face of the consolidated statement of comprehensive income and represents profit or loss after tax and non-controlling interest in the subsidiaries of the joint venture or associate. The financial statements of the joint venture or associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring their accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss under the item “Share in profit of joint ventures and associates, net” in the consolidated statement of comprehensive income.

Upon loss of joint control over the joint venture or significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of joint control or significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

**Oil and natural gas exploration, evaluation and development expenditure***Costs incurred before obtaining subsoil use rights (licenses)*

Costs incurred before obtaining full subsoil use rights (licenses) are expensed in the period in which they are incurred, except when costs are incurred after signing preliminary agreements with the Government of RK, in such cases costs incurred after this date are capitalized in exploration and evaluation assets.

*Subsoil use rights and property acquisition costs*

Exploration and production subsoil use rights and related property acquisition costs are capitalized within exploration and evaluation assets and subclassified as intangible. Each property under exploration and appraisal is reviewed on an annual basis to confirm that drilling activity is planned and it is not impaired. If no future activity is planned, the carrying amount of the exploration subsoil use right and related property acquisition costs is written off. Upon determination of economically recoverable reserves (‘proved reserves’ or ‘commercial reserves’) and internal approval of development, the carrying amount of the subsoil use right and related property acquisition costs held on a field-by-field basis is aggregated with exploration and evaluation assets and transferred to oil and gas assets or intangible assets.

*Exploration and evaluation costs*

Once the legal right to explore has been acquired, geological and geophysical exploration costs and costs directly associated with exploration and appraisal wells, including unsuccessful development or delineation wells are capitalized as exploration and evaluation intangible or tangible assets, according to the nature of the costs, until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors. If no expected reserves are found, the exploration and evaluation asset is tested for impairment. If extractable hydrocarbons are found and, subject to further appraisal activity, which may include the drilling of further wells, are likely to be developed commercially; the costs continue to be carried as an asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbon reserves.

All such carried costs are subject to technical, commercial and management review as well as review for impairment at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Oil and natural gas exploration, evaluation and development expenditure (continued)***Exploration and evaluation costs (continued)*

When proved reserves of hydrocarbons are determined and development is sanctioned, the relevant expenditure is transferred to oil and gas assets after impairment is assessed and impairment loss recognized, if any.

When this is no longer the case, and the Group decides to relinquish the contract territory to the Government and terminate the subsoil use contracts, the assets are written off.

*Development costs*

Expenditures on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, are capitalized within oil and gas assets.

**Oil and gas assets and other property, plant and equipment**

Oil and gas assets and other property, plant and equipment are stated at cost less accumulated depreciation, depletion and impairment.

The initial cost of an asset comprises its purchase price or construction cost, borrowing cost for long-term construction or development project, if recognition criteria is met, any costs directly attributable to bringing the asset into operation and the initial estimate of decommissioning obligation, if there is any. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Oil and gas assets are depreciated using a unit-of-production method, whereas tangible assets are depreciated over proved developed reserves and intangible assets – over proved reserves. Certain oil and gas assets with useful lives less than the remaining life of the fields or term of the subsoil use contracts are depreciated on a straight-line basis over useful lives.

Property, plant and equipment other than oil and gas assets and land principally comprise buildings, machinery and equipment, vehicles and others that are depreciated on a straight-line basis over the expected remaining useful average lives as follows:

|                            |                 |
|----------------------------|-----------------|
| Refinery assets            | 4-100 years     |
| Pipelines                  | 2-30 years      |
| Buildings and improvements | 2-100 years     |
| Machinery and equipment    | 2-30 years      |
| Vehicles                   | 3-35 years      |
| Other                      | 2-20 years      |
| Land                       | Not depreciated |

The expected useful lives of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of property, plant and equipment, inclusive of production wells which stop producing commercial quantities of hydrocarbons and are scheduled for abandonment, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period the item is derecognized.

**Intangible assets**

Intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. Intangible assets include expenditure on acquiring subsoil use rights for oil and natural gas exploration, evaluation and development, computer software and goodwill. Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Intangible assets (continued)**

Intangible assets, except for goodwill and subsoil use rights, are amortized on a straight-line basis over the expected remaining useful life. The expected useful lives of the assets are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively. Computer software costs have an estimated useful life of 3 to 7 years.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is tested for impairment annually (as at December 31) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

**Impairment of exploration and evaluation assets**

Exploration and evaluation assets are tested for impairment when reclassified to oil and gas development tangible and intangible assets or whenever facts and circumstances indicate impairment.

One or more of the following facts and circumstances indicate that the Group should test exploration and evaluation assets for impairment (the list is not exhaustive):

- The period for which the Group entity has the right to explore and appraise in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on the further exploration for and evaluation of hydrocarbon resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of hydrocarbon resources in the specific area have not led to the discovery of commercially viable quantities of hydrocarbon resources and the Group entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**Asset retirement obligation (decommissioning)**

Provision for decommissioning is recognized in full, on a discounted cash flow basis, when the Group has an obligation to dismantle and remove a facility or an item of plant, property and equipment and to restore the site on which it is located, and when a reasonable estimate of that provision can be made. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also created. This asset is subsequently depreciated as part of the capital costs of the production and transportation facilities based on the appropriate depreciation method.

Changes in the measurement of an existing decommissioning provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or change in the discount rate, is accounted for so that:

- (a) Changes in the provision are added to, or deducted from, the cost of the related asset in the current period;
- (b) The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognized immediately in the consolidated statement of comprehensive income; and
- (c) If the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss, in accordance with IAS 36.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Financial assets*****Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a debt financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through profit or loss.

The Group does not have financial assets at fair value through other comprehensive income.

**Derecognition**

A financial asset is primarily derecognized (removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

***Impairment of financial assets***

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Derecognition (continued)*****Impairment of financial assets (continued)***

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Leases**

The Group assesses at contract inception whether a contract is, or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

***The Group as a lessee***

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

***Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

***Lease liabilities***

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Finance lease liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Inventories**

Inventories are stated at the lower of cost and net realizable value on a first-in first-out (FIFO) basis. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the cost of production, including the appropriate proportion of depreciation, depletion and amortization and overheads based on normal capacity. Net realizable value of crude oil and refined products is based on estimated selling price in the ordinary course of business less any costs expected to be incurred to complete the sale.

**Cash and cash equivalents**

Cash and cash equivalents include cash in bank and cash on hand, demand deposits with banks with original maturities of three months or less.

**Financial liabilities*****Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans borrowings and payables, or as derivatives financial instruments.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

***Trade and other payables***

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

***Loans and borrowings***

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs.

The Group does not have financial liabilities at fair value through profit or loss.

***Financial guarantee contracts***

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the expected credit losses allowance calculated under IFRS 9 and the amount recognized less cumulative amortization, if any.

**Net investment hedges**

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or a foreign exchange gains and losses for a non-derivative is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivatives is recognized immediately in profit or loss. The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

*Provision for obligations to the Government*

The Government assigns various sponsorship and financing obligations to the Group. Management of the Group believes that such Government's assignments represent constructive obligations of the Group and require recognition on the basis of respective resolution of the Government. Furthermore, as the Government is acting as the ultimate controlling party of the Group, the expenditures on these assignments are recognized as other distributions to the Shareholders directly in the equity, in the consolidated financial statements.

**Employee benefits***Pension scheme*

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state – managed retirement benefit schemes are dealt with as defined contribution plans where the Group's obligations under the scheme are equivalent to those arising in a defined contribution retirement benefit plan.

*Long-term employee benefits*

The Group provides long-term employee benefits to employees before, on and after retirement, in accordance with the collective agreements between the Group entities and their employees. The collective agreement provides for certain one-off retirement payments, financial aid for employees' disability, anniversaries, funeral and other benefits. The entitlement to benefits is usually conditional on the employee remaining in service up to retirement age.

The expected costs of the benefits associated with one-off retirement payments are accrued over the period of employment using the same accounting methodology as used for defined benefit post-employment plans with defined payments upon the end of employment. Actuarial gains and losses arising in the year are taken to other comprehensive income. For this purpose, actuarial gains and losses comprise both the effects of changes in actuarial assumptions and experience adjustments arising because of differences between the previous actuarial assumptions and what has actually occurred. Other movements are recognized in the current period, including current service cost, any past service cost and the effect of any curtailments or settlements.

The most significant assumptions used in accounting for defined benefit obligations are discount rate and mortality assumptions. The discount rate is used to determine the net present value of future liabilities and each year the unwinding of the discount on those liabilities is charged to the consolidated statement of comprehensive income as finance costs. The mortality assumption is used to project the future stream of benefit payments, which is then discounted to arrive at a net present value of liabilities.

Employee benefits other than one-off retirement payments are considered as other long-term employee benefits. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for the defined benefit plan. Actuarial gains and losses on other long-term employee benefits are recognized in the profit or loss. These obligations are valued by independent qualified actuaries on an annual basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Revenue recognition**

Revenues are recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. Specifically, domestic sales of crude oil and gas, as well as petroleum products and materials are usually recognized when title passes. For export sales, title generally passes at the border of the RK. Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts, volume rebates and reimbursable taxes.

Sales of support services are recognized as services are performed provided that the service price can be determined and no significant uncertainties regarding the receipt of revenues exist.

The Group mainly recognizes revenue for the following types:

*Revenue from sale of crude oil and oil products*

Revenue from the sale of oil and oil products is recognized when control of the goods is transferred to the customer and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for such goods or services.

*Revenue from transportation services*

Revenue from transportation services is recognized when services are provided based on the actual volumes of oil transported in the reporting period.

*Revenue from oil and oil products refinery services*

Revenue from oil and oil products refinery services is recognized if it is probable that the economic benefits will flow to the Group and if the revenue can be measured reliably, regardless of the timing of payment.

*Interest income and expense*

For all financial instruments measured at amortized cost, and interest income and interest expense are recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income and interest expense is included in finance costs in the consolidated statement of comprehensive income.

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

**Income taxes**

Income tax for the year comprises current income tax, excess profit tax and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax (CIT) relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Income taxes (continued)**

Alternative mineral extraction tax (AMET) is treated as an income tax and forms part of income tax expense. In accordance with the applicable tax legislation, the Group accrues and pays AMET in respect of each subsoil use contract, at varying rates based on the ratio of aggregate annual income to deductions for the year for a particular subsoil use contract. The ratio of aggregate annual income to deductions in each tax year triggering the application of AMET is 1.24:1. AMET rates are applied to the part of the taxable income (taxable income after corporate income tax and allowable adjustments) related to each subsoil use contract.

Deferred tax is calculated with respect to both CIT and AMET. Deferred AMET is calculated on temporary differences for assets allocated to subsoil use contracts at the expected rate of AMET to be paid under the contract.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**Equity***Non-controlling interest*

Non-controlling interests are initially recognized in proportion to identifiable net assets at the acquisition date.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the Company's owners. Total comprehensive income is attributed to the Company's owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

*Dividends*

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are declared before the reporting date or after the reporting date but before the consolidated financial statements are authorized for issue.

**Presentation of information**

The consolidated statement of comprehensive income has been restated to present Interest revenue calculated using the effective interest method separately from finance income and, Expected credit losses separately from General and administrative expenses, Finance income and Finance costs. The Group believes that this separation allows for the presentation of information that is more relevant to users of the financial statements.

**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities and assets, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Impairment testing assumptions**

The Group assessed the existence of impairment indicators of non-current assets and where impairment indicators were identified, the Group performed the impairment tests.

The Group's long-term assumptions for Brent oil prices, KZT/USD exchange rate and inflation projections have been revised and are based on externally sourced forecasts and rates of the independent research organizations considering long-term market expectations. Production volumes estimates are based on proved developed and undeveloped reserves for subsidiaries, and on proved and probable reserves for significant investments in joint ventures and associates. Production period is either based on subsoil use contracts' expiration date or on extended license period, to which the Group has strong intention to extend its licenses. Estimated production volumes are based on the Group's production plans that are mostly used for the purposes of application filing for extension of subsoil use contracts.

Discount rates were estimated on the weighted average cost of capital of the individual cash generating unit and ranged between 11.22-16.42% depending on the functional currency, production period, size, equity risk premium, beta and gearing ratio of the relevant CGU.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Impairment testing assumptions (continued)**

The long-term price assumptions applied were derived from Bloomberg consensus; so did the near-term commodity price assumptions, a summary of which, in real 2024 terms, is provided below:

|                                 | 2025  | 2026  | 2027  | 2028  | 2029  |
|---------------------------------|-------|-------|-------|-------|-------|
| Brent oil<br>(ICE Brent \$/bbl) | 73.25 | 71.00 | 73.00 | 72.00 | 72.30 |

For 2024 in “*Exploration and production of oil and gas*” segment net impairment charges were 57,100 million tenge, which mainly relate to the impairment of a seawater desalination plant and supply infrastructure in Zhanaozen city in the amount of 53,197 million tenge (Note 14).

For 2024 in “*Corporate*” segment net impairment charges were 40,678 million tenge, which mainly relate the exploration and evaluation assets of Abai project in the amount of 17,703 million tenge (Note 14).

For 2024 in “*Other*” segment net impairment charges were 11,609 million tenge, which mainly relate to a reversal of a previously recognized impairment loss in the amount of the excess of the value in use of the Jack-up rig over its carrying amount in the amount of 16,189 million tenge (Note 14).

For 2023 in “*Exploration and production of oil and gas*” segment net impairment charges were 107,725 million tenge, which mainly relate to the exploration and evaluation assets of Aktoty and Kairan project in the amount of 74,255 million tenge (Note 14).

For 2023 in “*Corporate*” net impairment charges were 40,337 million tenge, which mainly relate the exploration and evaluation assets of Jenis project in the amount of 40,244 million tenge (Note 14).

For 2023 in “*Refining and trading of crude oil and refined products*” net impairment charges were 97,854 million tenge, which mainly relate to the CGU KMGI in the amount of 97,636 million tenge (Note 14).

Headroom of the majority of oil and refining assets are sensitive to changes in price or other assumptions. The changes within next financial periods may result in recoverable amount of these assets above or below the current carrying amounts and therefore there is a risk of impairment reversals or charges in those periods.

**Oil and gas reserves**

Oil and gas reserves are a material factor in the Group’s computation of depreciation, depletion and amortization expenses. The Group estimates its oil and gas reserves in accordance with the methodology of the Society of Petroleum Engineers (SPE). In estimating its reserves under SPE methodology, the Group uses long-term planning prices. Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. Management believes that long-term planning price assumptions, which are also used by management for their business planning and investment decisions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves.

All reserve estimates involve some degree of uncertainty. The uncertainty depends mainly on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of this data.

The relative degree of uncertainty can be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Proved reserves are more certain to be recovered than unproved reserves and may be further sub-classified as developed and undeveloped to denote progressively increasing uncertainty in their recoverability.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Oil and gas reserves (continued)**

Estimates are reviewed and revised annually. Revisions occur due to the evaluation or re-evaluation of already available geological, reservoir or production data, availability of new data, or changes to underlying price assumptions. Reserve estimates may also be revised due to improved recovery projects, changes in production capacity or changes in development strategy. Proved developed reserves are used to calculate the unit of production rates for depreciation, depletion and amortization in relation to oil and gas production assets. The Group has included in proved reserves only those quantities that are expected to be produced during the initial subsoil use contract period. This is due to the uncertainties surrounding the outcome of such renewal procedures, since the renewal is ultimately at the discretion of the Government. An increase in the Group's subsoil use contract periods and corresponding increase in reported reserves would generally lead to lower depreciation, depletion and amortization expense and could materially affect earnings. A reduction in proved developed reserves will increase depreciation, depletion and amortization expense (assuming constant production), reduce income and could also result in an immediate write-down of the property's book value. Given the relatively small number of producing fields, it is possible that any changes in reserve estimates year on year could significantly affect prospective charges for depreciation, depletion and amortization.

Please refer *Note 14* for details on annual impairment test results.

**Recoverability of oil and gas assets, downstream, refining and other assets**

The Group assesses assets or CGU for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices, discount rates, future capital requirements, operating performance (including production and sales volumes) that are subject to risk and uncertainty. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered to be impaired and is written down to its recoverable amount. In assessing recoverable values, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

**KMGI CGU, including goodwill**

As at December 31, 2024 and 2023, the Group performed its annual impairment tests for goodwill and downstream, refining and other assets due to existence of impairment indicators at the CGUs of KMGI. For the detailed discussion of KMGI CGU impairment test refer to *Note 14*.

**Pavlodar refinery, including goodwill**

As of December 31, 2024, and 2023 the Group has goodwill of 88,553 million tenge related to acquisition of Pavlodar refinery (*Note 18*). In December 2024 and 2023 the Group performed annual impairment test for the Pavlodar refinery goodwill. In assessing the recoverable amount, the fair value less the cost of sale was calculated, determined using a marketing scheme. The Group considered the forecast for oil tolling volumes, oil tolling tariffs, capital expenditures, among other factors, when reviewing for indicators of impairment. The recoverable amount is calculated using a discounted cash flow model. In 2024, the discount rate of 14.12% (2023: 16.02%) was calculated based on the pre-tax weighted average cost of capital. The inherent risk was included by applying an individual beta factor. The beta factor was estimated based on the publicly available market data. Forecasted cash flows till to 2032 were based on five-years business plan of Pavlodar refinery 2025-2029 (2023: 2024-2028 years), which assumes current management estimates on potential changes in operating and capital costs. As at December 31, 2024 and 2023 the recoverable amount of goodwill, which was determined based on fair value less cost to sell, exceeded its book value, as such no impairment of Pavlodar refinery goodwill was recognized.

**Sensitivity to changes in assumptions**

Results of the assessment of recoverable amount of Pavlodar refinery goodwill are sensitive to changes in key assumptions, in particular, assumptions related to changes in discount rate and target EBITDA in terminal period. Increase in discount rates by 1.0% to 15.12% (2023: 17.02%) and decrease of target EBITDA in terminal period by 1% would not result decrease of the recoverable amount of CGU Pavlodar refinery to its carrying value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)*****Other CGUs***

Revision to the Group’s commodity price and other assumptions have not resulted in impairment charges in any other CGUs of the *Refining and trading of crude oil and refined products segment*.

**Assets retirement obligations*****Oil and gas production facilities***

Under the terms of certain subsoil use contracts, legislation and regulations the Group has legal obligations to dismantle and remove tangible assets and restore the land at each production site. Specifically, the Group’s obligation relates to the ongoing closure of all non-producing wells and final closure activities such as removal of pipes, buildings and recultivation of the contract territories, and also obligations to dismantle and remove tangible assets and restore territory at each production site. Since the subsoil use contract terms cannot be extended at the discretion of the Group, the settlement date of the final closure obligations has been assumed to be the end of each subsoil use contract period. The extent of the Group’s obligations to finance the abandonment of wells and for final closure costs depends on the terms of the respective subsoil use contracts and current legislation.

Where neither subsoil use contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the subsoil use contract term, no liability has been recognized. There is some uncertainty and significant judgment involved in making such a determination. Management’s assessment of the presence or absence of such obligations could change with shifts in policies and practices of the Government or in the local industry practice.

The Group calculates asset retirement obligations separately for each contract. The amount of the obligation is the present value of the estimated expenditures expected to be required to settle the obligation adjusted for expected inflation and discounted using average long-term risk-free interest rates for emerging market sovereign debt adjusted for risks specific to the Kazakhstan market.

At each reporting date the Group reviews site restoration provisions, and adjusts them to reflect the current best estimate in accordance with IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

Estimating the future closure costs involves significant estimates and judgments by management. Most of these obligations are many years in the future and, in addition to ambiguities in the legal requirements, the Group’s estimate can be affected by changes in asset removal technologies, costs and industry practice. The Group estimates future well abandonment cost using current year prices and the average long-term inflation rate.

The long-term inflation and discount rates used to determine the obligation in the consolidated statement of financial position across the Group entities at December 31, 2024 were in the range from 2.24% to 8.60% and from 6.85% to 12.15%, respectively (December 31, 2023: from 2.03% to 14.54% and from 6.20% to 11.37%, respectively). As at December 31, 2024 the carrying amounts of the Group’s asset retirement obligations relating to decommissioning of oil and gas facilities were 142,009 million tenge (December 31, 2023: 123,785 million tenge) (*Note 29*).

***Major oil and gas pipelines***

According to the Law of the RK *On Major Pipelines* which was made effective on July 4, 2012 KazTransOil JSC (further KTO) has legal obligation to decommission its major oil pipelines at the end of their operating life and to restore the land to its original condition. Asset retirement obligation is calculated based on estimate of the work to decommission and rehabilitate. As at December 31, 2024, the carrying values of the Group’s asset retirement obligations relating to decommissioning of pipelines and land were 37,405 million tenge (December 31, 2023: 45,649 million tenge) (*Note 29*).

**Environmental remediation obligations provision**

The enforcement of environmental regulation in Kazakhstan is evolving and subject to ongoing changes. In accordance with the amendments to the Environmental Code of the RK effective from July 1, 2021, the management believes that there are possible liabilities that may have an impact on the Group’s financial position and results of operations.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Environmental remediation obligations provision (continued)**

At the date of issuance of the consolidated financial statements the Group has analyzed the changes and, accordingly, estimated the amount of additional potential liabilities related to the asset retirement and land recultivation. As at December 31, 2024, the carrying amount of the Group's assets retirement obligations were in total amount of 41,778 million tenge (31 December, 2023: 39,271 million tenge), which is equal to the present value of future cash outflows (*Notes 29 and 35*).

The Group continues to monitor this matter and will adjust for new facts and circumstances, and any clarification provided by the State body in regards to the application of the Environmental Code of the RK.

The Group also makes judgments and estimates in establishing provisions for environmental remediation obligations. Environmental expenditures are capitalized or expensed depending upon their future economic benefit. Expenditures that relate to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Liabilities are determined based on current information about costs and expected plans for remediation and are recorded on discounted basis. The Group's environmental remediation provision represents management best estimate based on an independent assessment of the anticipated expenditure necessary for the Group to remain in compliance with the current regulatory regime in Kazakhstan and Europe. The Group has classified this obligation as non-current except for the portion of costs, included in the annual budget for 2024. For environmental remediation provisions, actual costs can differ from estimates because of changes in laws and regulations, public expectations, discovery and analysis of site conditions and changes in clean-up technology. Movements in the provision for environmental remediation obligations are disclosed in *Note 29*.

**Employee benefits**

The cost of defined long-term employee benefits payable before, on and after retirement and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Taxation**

In assessing tax risks, management considers to be probable obligations the known areas of tax positions which the Group would not appeal or does not believe it could successfully appeal, if assessed by tax authorities. Such determinations inherently involve significant judgment and are subject to change as a result of changes in tax laws and regulations, amendments to the taxation terms of the Group's subsoil use contracts, the determination of expected outcomes from pending tax proceedings and current outcome of ongoing compliance audits by tax authorities. The provision for tax risks other than on income tax are disclosed under provisions for taxes in *Note 29*. Contingent liabilities for tax risks other than on income tax are disclosed in *Note 35*. Provisions and contingent liabilities related to income tax are included or disclosed as income tax liabilities or contingencies (see *Note 32 and 35*).

**Useful lives of property, plant and equipment**

The Group assesses the remaining useful lives of items of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for prospectively as a change in an accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**Fair value of financial instruments**

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments presented in the consolidated financial statements. Further details are disclosed in *Note 34*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL*****Karaton Operating Ltd. (further Karaton)***

On February 21, 2024, the Company and Tatneft PJSC signed a purchase and sale agreement for a 50% share of Karaton, subsidiary of the Company, holder of a contract for the production of hydrocarbons at Karaton subsoil blocks located in Atyrau region. As a result, on February 21, 2024, the Group lost control over Karaton.

The sale price of a 50% share in Karaton was 18.2 million US dollars (equivalent to 8,255 million tenge at the date of disposal of subsidiary).

On March 13, 2024, Tatneft PJSC made a payment of cash consideration in the amount of 18.2 million US dollars (equivalent to 8,188 million tenge at the date of payment).

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 8,255 million tenge at the date of loss of control.

The Company and Tatneft PJSC have joint control over the Karaton where decisions about the relevant activities of Karaton require unanimous consent.

The net cash flows incurred by Karaton for the period from January 1, 2024 through the date of loss of control are as follows:

*In millions of tenge*

|                                                  |              |
|--------------------------------------------------|--------------|
| Investing                                        | (118)        |
| <b>Net decrease in cash and cash equivalents</b> | <b>(118)</b> |

At the date of loss of control net assets of Karaton were as follows:

*In millions of tenge*

|                                                                   |               |
|-------------------------------------------------------------------|---------------|
| <b>Assets</b>                                                     |               |
| Exploration and evaluation assets (Note 17)                       | 291           |
| Property, plant and equipment (Note 16)                           | 28            |
| Other assets                                                      | 21            |
| Cash and cash equivalents                                         | 178           |
| <b>Total assets</b>                                               | <b>518</b>    |
| <b>Liabilities</b>                                                |               |
| Trade accounts payable                                            | 5             |
| Other current liabilities                                         | 413           |
| <b>Total liabilities</b>                                          | <b>418</b>    |
| <b>Net assets directly associated with the disposal group</b>     | <b>100</b>    |
| Cash consideration received at the date of disposal of subsidiary | 8,255         |
| Fair value of 50% retained interest in a joint venture (Note 21)* | 8,255         |
| <b>Gain from disposal of subsidiary</b>                           | <b>16,410</b> |

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Karaton.

The business of Karaton represented in the Group's *Exploration and production of oil and gas* segment.

***KALAMKAS-KHAZAR OPERATING LLP (further KKO)***

On February 9, 2023, the Company and Lukoil PJSC signed a purchase and sale agreement for a 50% share of KKO, subsidiary of the Company, holder of a contract for the production of hydrocarbons at the Kalamkas-Sea, Khazar and Auezov subsoil blocks located in the Kazakhstani sector of the Caspian Sea. On September 11, 2023, KKO was re-registered after the parties fulfilled the suspensive conditions of a purchase and sale agreement. As a result of the transaction, the Group lost control over KKO.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)****KALAMKAS-KHAZAR OPERATING LLP (further KKO) (continued)**

The sale price of a 50% share was 200 million US dollars (equivalent to 93,258 million tenge at the date of disposal of subsidiary). According to the terms of the sale and purchase agreement, the sale price may be adjusted by 100 million US dollars if certain conditions are met (further the Additional consideration). The Group recognized this Additional consideration as a financial asset measured at fair value through profit or loss in the amount of 29 million US dollars (equivalent to 14,154 million tenge) within other non-current financial assets in the consolidated statement of the financial position. As at December 31, 2024, the fair value of the Additional consideration was 33 million US dollars (equivalent to 17,461 million tenge) (December 31, 2023: 30 million US dollars (equivalent to 13,860 million tenge)).

On September 21, 2023, Lukoil PJSC made payment of cash consideration in the amount of 200 million US dollars (equivalent to 94,644 million tenge at the date of payment).

The investment retained in the former subsidiary is an investment to a joint venture accounted for using the equity method and its fair value is 93,258 million tenge at the date of loss of control. The Company and Lukoil PJSC have joint control over the KKO where decisions about the relevant activities of KKO require unanimous consent.

The results of KKO for the period from January 1, 2023 through the date of loss of control are presented below:

*In millions of tenge*

|                                     |              |
|-------------------------------------|--------------|
| Finance income                      | 7            |
| General and administrative expenses | (108)        |
| Finance costs                       | (33)         |
| Net foreign exchange loss           | (98)         |
| Income tax expenses                 | (1)          |
| <b>Loss for the period</b>          | <b>(233)</b> |

The net cash flows incurred by KKO for the period from January 1, 2023 through the date of loss of control are as follows:

*In millions of tenge*

|                                                  |           |
|--------------------------------------------------|-----------|
| Operating                                        | (102)     |
| Investing                                        | (16,937)  |
| Financing                                        | 17,059    |
| <b>Net increase in cash and cash equivalents</b> | <b>20</b> |

At the date of loss of control net assets of KKO were as follows:

*In millions of tenge*

|                                                               |               |
|---------------------------------------------------------------|---------------|
| <b>Assets</b>                                                 |               |
| Property, plant and equipment (Note 16)                       | 5,185         |
| Exploration and evaluation assets (Note 17)                   | 14,678        |
| Cash and cash equivalents                                     | 20            |
| Other assets                                                  | 626           |
| <b>Total assets</b>                                           | <b>20,509</b> |
| <b>Liabilities</b>                                            |               |
| Borrowings                                                    | 2,511         |
| Trade accounts payable                                        | 3,548         |
| Other liabilities                                             | 5             |
| <b>Total liabilities</b>                                      | <b>6,064</b>  |
| <b>Net assets directly associated with the disposal group</b> | <b>14,445</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)*****KALAMKAS-KHAZAR OPERATING LLP (further KKO) (continued)****In millions of tenge*

|                                                                                  |                |
|----------------------------------------------------------------------------------|----------------|
| Cash consideration received at the date of disposal of subsidiary                | 93,258         |
| Fair value of the Additional consideration at the date of disposal of subsidiary | 14,154         |
| Fair value of 50% retained interest in a joint venture (Note 21)*                | 93,258         |
| <b>Gain from disposal of subsidiary</b>                                          | <b>186,225</b> |

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of KKO.

The business of KKO represented in the Group's *Exploration and production of oil and gas* segment.

**6. BUSINESS COMBINATION*****Acquisition of Dunga Operating GmbH***

On October 9, 2023 KMG signed a purchase agreement with TOTALENERGIES EP DENMARK A/S for the acquisition of a 100% of the shares of Total E&P Dunga GmbH (renamed to Dunga Operating GmbH in December 2023), engaged in the exploration and production of crude oil and natural gas in Dunga field. The base consideration comprises of 358.5 million US dollars (equivalent to 165,913 million tenge). The agreement contains certain closing conditions precedent, which were met on October 30, 2023 and on November 20, 2023, the transaction was completed after the re-registration of Dunga Operating GmbH shares to KMG. KMG has obtained control over Dunga Operating GmbH, a subsidiary, increasing the KMG share in the hydrocarbon resource base and production of the crude oil and natural gas on the RK market.

At the date of issue consolidated financial statements for the year ended December 31, 2023, the initial accounting for the business combination was not completed and the Group assessed the fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at provisional amounts being the fair value of the consideration given of 358.5 million US dollars (equivalent to 165,913 million tenge) in accordance with *IFRS 3 Business Combinations*.

In 2024 the Group completed the valuation of the fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at the date of acquisition to complete the initial accounting for the business combination.

The fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at the date of acquisition was 156,099 million tenge, a decrease of 9,814 million tenge over the provisional value. These leads to decrease in depreciation charge of property, plant and equipment and corporate income tax of 1,661 and 556 million tenge, respectively, from the acquisition date to 31 December 2023.

The 2023 comparative information was restated to reflect these adjustments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6. BUSINESS COMBINATION (continued)****Acquisition of Dunga Operating GmbH (continued)**

The fair values of the identifiable assets and liabilities of *Dunga Operating GmbH* as at the date of acquisition are as presented below:

| <i>In millions of tenge</i>                                   | <b>At the date of acquisition</b> |
|---------------------------------------------------------------|-----------------------------------|
| <b>Assets</b>                                                 |                                   |
| <b>Non-current assets</b>                                     |                                   |
| Property, plant and equipment (Note 16)                       | 181,462                           |
| Intangible assets (Note 18)                                   | 5,481                             |
| Long-term bank deposits                                       | 5,413                             |
| Other non-current assets                                      | 3,132                             |
| <b>Current assets</b>                                         |                                   |
| Inventories                                                   | 6,387                             |
| Trade accounts receivable                                     | 5,870                             |
| Income tax prepaid                                            | 2,284                             |
| Other current non-financial assets                            | 5,601                             |
| Other current financial assets                                | 55                                |
| Cash and cash equivalents                                     | 8,288                             |
| <b>Total assets</b>                                           | <b>223,973</b>                    |
| <b>Non-current liabilities</b>                                |                                   |
| Provisions (Note 29)                                          | 4,346                             |
| Deferred income tax liabilities (Note 32)                     | 48,752                            |
| Other non-current financial liabilities                       | 447                               |
| <b>Current liabilities</b>                                    |                                   |
| Trade accounts payable                                        | 8,802                             |
| Other current financial liabilities                           | 5,527                             |
| <b>Total liabilities</b>                                      | <b>67,874</b>                     |
| <b>Total identifiable net assets at fair values</b>           | <b>156,099</b>                    |
| Purchase consideration transferred, including withholding tax | 165,913                           |
| Goodwill arising on acquisition                               | 9,814                             |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6. BUSINESS COMBINATION (continued)****Acquisition of Dunga Operating GmbH (continued)**

The business of Dunga Operating GmbH is represented in the Group's *Exploration and production of oil and gas* segment in these consolidated financial statements.

The acquisition date fair value of the trade accounts receivable amounts to 5,870 million tenge, that is the gross amount of trade accounts receivable. It is expected that the full contractual amounts can be collected.

The deferred income tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

The Goodwill of 9,814 million tenge arising on acquisition represents the Group's future benefits from the exploration and production of crude oil and natural gas in the Dunga field. None of the goodwill recognised is expected to be deductible for income tax purposes.

There was no recognized contingent liability at the date of acquisition.

From the date of acquisition, Dunga Operating GmbH contributed 2,872 million tenge of revenue and 1,172 million tenge to profit before tax from continuing operations of the Group in 2023. If the combination had taken place at the beginning of the 2023, revenue from continuing operations would have been 34,032 million tenge and profit before tax from continuing operations for the Group would have been 21,468 million tenge.

**7. REVENUE FROM CONTRACTS WITH CUSTOMERS**

| <i>In millions of tenge</i>          | <b>2024</b>      | <b>2023</b> |
|--------------------------------------|------------------|-------------|
| <b>Type of goods and services</b>    |                  |             |
| Sales of crude oil and gas           | <b>4,695,223</b> | 4,628,125   |
| Sales of refined products            | <b>2,697,812</b> | 2,848,921   |
| Refining of oil and oil products     | <b>258,530</b>   | 248,058     |
| Oil transportation services          | <b>240,728</b>   | 226,142     |
| Other revenue                        | <b>437,968</b>   | 368,297     |
|                                      | <b>8,330,261</b> | 8,319,543   |
| <b>Geographical markets</b>          |                  |             |
| Switzerland                          | <b>1,852,928</b> | 1,677,575   |
| UAE                                  | <b>1,850,402</b> | 223,586     |
| Kazakhstan                           | <b>1,602,854</b> | 1,454,546   |
| Romania                              | <b>1,198,203</b> | 1,334,646   |
| The Netherlands                      | <b>741,826</b>   | 2,500,126   |
| Other countries                      | <b>1,084,048</b> | 1,129,064   |
|                                      | <b>8,330,261</b> | 8,319,543   |
| <b>Timing of revenue recognition</b> |                  |             |
| At a point in time                   | <b>8,093,554</b> | 8,121,191   |
| Over time                            | <b>236,707</b>   | 198,352     |
|                                      | <b>8,330,261</b> | 8,319,543   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****8. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET**

| <i>In millions of tenge</i>                  | <b>2024</b>    | <b>2023</b> |
|----------------------------------------------|----------------|-------------|
| <b>Joint ventures</b>                        |                |             |
| Tengizchevroil LLP                           | <b>303,480</b> | 340,884     |
| Mangistau Investments B.V. Group (MMG)       | <b>35,726</b>  | 38,255      |
| KC Energy Group LLP *                        | <b>27,288</b>  | –           |
| PETROSUN LLP *                               | <b>26,238</b>  | 46,567      |
| KazGerMunay LLP                              | <b>25,336</b>  | 20,983      |
| Kazakhstan-China Pipeline LLP                | <b>20,844</b>  | 18,720      |
| KazRosGas LLP                                | <b>19,157</b>  | 32,324      |
| Kazakhoil-Aktobe LLP                         | <b>5,986</b>   | (1,869)     |
| Valsera Holdings B.V. Group (PKOP)           | <b>(177)</b>   | 17,296      |
| Teniz Service LLP                            | <b>(1,742)</b> | 116         |
| Kazakhstan Petrochemical Industries Inc. LLP | <b>(5,210)</b> | (12,339)    |
| Ural Group Limited                           | <b>(8,961)</b> | (47,006)    |
| Other                                        | <b>(2,185)</b> | 3,896       |
|                                              | <b>445,780</b> | 457,827     |
| <b>Associates</b>                            |                |             |
| Caspian Pipeline Consortium                  | <b>81,525</b>  | 64,358      |
| PetroKazakhstan Inc.                         | <b>2,253</b>   | 4,889       |
| Other                                        | <b>1,672</b>   | 7,103       |
|                                              | <b>85,450</b>  | 76,350      |
|                                              | <b>531,230</b> | 534,177     |

\* KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. It is planned that the activities of PETROSUN LLP will be gradually transferred to KC Energy Group LLP.

**9. COST OF PURCHASED OIL, GAS, PETROLEUM PRODUCTS AND OTHER MATERIALS**

| <i>In millions of tenge</i>             | <b>2024</b>      | <b>2023</b> |
|-----------------------------------------|------------------|-------------|
| Purchased oil for resale                | <b>3,380,238</b> | 3,402,819   |
| Materials and supplies                  | <b>561,039</b>   | 416,851     |
| Cost of oil for refining                | <b>338,490</b>   | 687,792     |
| Purchased petroleum products for resale | <b>67,244</b>    | 90,108      |
| Purchased gas for resale                | <b>–</b>         | 24,311      |
|                                         | <b>4,347,011</b> | 4,621,881   |

**10. PRODUCTION EXPENSES**

| <i>In millions of tenge</i>                          | <b>2024</b>      | <b>2023</b> |
|------------------------------------------------------|------------------|-------------|
| Payroll                                              | <b>606,560</b>   | 510,927     |
| Repair and maintenance                               | <b>272,584</b>   | 212,500     |
| Transportation costs                                 | <b>156,399</b>   | 123,310     |
| Energy                                               | <b>125,666</b>   | 117,957     |
| Short-term lease expenses                            | <b>92,377</b>    | 102,385     |
| Environmental protection                             | <b>15,015</b>    | 17,930      |
| Write-off of inventories to net realizable value     | <b>1,485</b>     | 1,590       |
| Realized gain from derivatives on petroleum products | <b>(19,502)</b>  | (69)        |
| Others                                               | <b>148,020</b>   | 133,192     |
|                                                      | <b>1,398,604</b> | 1,219,722   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****11. TAXES OTHER THAN INCOME TAX**

| <i>In millions of tenge</i>  | <b>2024</b>    | <b>2023</b> |
|------------------------------|----------------|-------------|
| Rent tax on crude oil export | <b>139,656</b> | 138,986     |
| Export customs duty          | <b>124,941</b> | 113,248     |
| Excise                       | <b>120,114</b> | 112,320     |
| Mineral extraction tax       | <b>99,446</b>  | 142,900     |
| Social tax                   | <b>50,921</b>  | 44,863      |
| Property tax                 | <b>33,345</b>  | 31,505      |
| Turnover tax                 | <b>14,472</b>  | –           |
| Other taxes                  | <b>10,089</b>  | 10,258      |
|                              | <b>592,984</b> | 594,080     |

As per Law no 296/2023 of Romania, the companies in the oil and gas sector with turnover of more than 50 million euro will have to pay an additional 0.5% turnover tax to the corporate income tax for 2024-2025. In 2024 KMGI paid turnover tax in the amount of 28.5 million Euro (equivalent to 14,472 million tenge).

**12. TRANSPORTATION AND SELLING EXPENSES**

| <i>In millions of tenge</i> | <b>2024</b>    | <b>2023</b> |
|-----------------------------|----------------|-------------|
| Transportation              | <b>200,844</b> | 184,940     |
| Payroll                     | <b>21,552</b>  | 19,990      |
| Other                       | <b>45,428</b>  | 40,595      |
|                             | <b>267,824</b> | 245,525     |

**13. GENERAL AND ADMINISTRATIVE EXPENSES**

| <i>In millions of tenge</i>                           | <b>2024</b>    | <b>2023</b> |
|-------------------------------------------------------|----------------|-------------|
| Payroll                                               | <b>93,824</b>  | 80,672      |
| Trust management expenses                             | <b>53,276</b>  | –           |
| Consulting services                                   | <b>16,531</b>  | 17,828      |
| Maintenance                                           | <b>8,926</b>   | 6,845       |
| Impairment/(reversal of impairment) of VAT receivable | <b>7,063</b>   | (282)       |
| Social payments                                       | <b>6,825</b>   | 6,037       |
| Communication                                         | <b>2,218</b>   | 2,080       |
| VAT non-recoverable                                   | <b>1,237</b>   | 5,811       |
| Other                                                 | <b>64,248</b>  | 46,906      |
|                                                       | <b>254,148</b> | 165,897     |

For 2024, the total payroll amounted to 721,936 million tenge (2023: 611,589 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in the consolidated statement of comprehensive income.

For 2024, the Group recognized remuneration to JSC NC QazaqGaz, a subsidiary of Samruk-Kazyna, for the services of trust management of a 50% interest in KazRosGaz LLP, a joint venture, in the amount of 53,276 million tenge as trust management expenses in these consolidated financial statements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****14. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES**

| <i>In millions of tenge</i>                                      | <b>2024</b>     | <b>2023</b> |
|------------------------------------------------------------------|-----------------|-------------|
| <b>Impairment charge and reversal</b>                            |                 |             |
| Property, plant and equipment (Note 16)                          | <b>65,401</b>   | 101,782     |
| Intangible assets (Note 18)                                      | <b>–</b>        | 483         |
| Non – current advances for fixed assets                          | <b>(17,324)</b> | 17,560      |
|                                                                  | <b>48,077</b>   | 119,825     |
| <b>Exploration expenses (impairment and write-off) (Note 17)</b> |                 |             |
| Abai project                                                     | <b>17,703</b>   | –           |
| Aktoty and Kairan project                                        | <b>3,953</b>    | 74,255      |
| Jenis project                                                    | <b>–</b>        | 40,244      |
| Liman project                                                    | <b>–</b>        | 8,847       |
| Urikhtau project                                                 | <b>–</b>        | 4,876       |
| Isatay project                                                   | <b>–</b>        | 93          |
|                                                                  | <b>21,656</b>   | 128,315     |
|                                                                  | <b>69,733</b>   | 248,140     |

Impairment charge and reversal was recognized for the following CGUs:

| <i>In millions of tenge</i> | <b>2024</b>     | <b>2023</b> |
|-----------------------------|-----------------|-------------|
| Seawater desalination plant | <b>53,197</b>   | 17,560      |
| CGUs of KMG                 | <b>1,010</b>    | 97,636      |
| Drilling jack-up rig        | <b>(16,189)</b> | –           |
| Others                      | <b>10,059</b>   | 4,629       |
|                             | <b>48,077</b>   | 119,825     |

**Impairment of property, plant and equipment***Impairment of a seawater desalination plant and supply infrastructure*

As part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group estimates that the recoverable amount of this property is nil and, accordingly, as at 31 December 2024, recognized an impairment charge for construction costs incurred in the amount of 70,521 million tenge, and reversed the reserve accrued in 2023 for the advances for the construction of this desalination plant in the amount of 17,324 million tenge

*Reversal of impairment of Drilling jackup rig*

As of December 31, 2024, KMG Drilling & Services LLP, a subsidiary of the Company, conducted an impairment test for the jack-up rig and recognized a reversal of a previously recognized impairment loss in the amount of the excess of the value in use of the jack-up rig over its carrying amount in the amount of 16,189 million tenge.

Value in use was determined by discounting the expected future cash flows from the operation of the jack-up rig under a three-year contract with Dragon Oil (Turkmenistan) Ltd for drilling operations in the Turkmen sector of the Caspian Sea, with an option to extend it for two years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****14. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES (continued)**

The following significant assumptions were made in calculating value in use:

|                                                                             |                  |
|-----------------------------------------------------------------------------|------------------|
| Discount rate                                                               | 17.7%            |
| Daily operating rate for the operation of a jack-up rig                     | 130 thousand USD |
| Daily operating expenses                                                    | 68 thousand USD  |
| Number of operating days per year during which the jack-up rig will be used | 365              |
| Load factor including idle days                                             | 95%              |

Reversals of impairment are limited so that the carrying amount of the asset as at December 31, 2024 does not exceed its recoverable amount, and does not exceed the carrying amount at which Drilling jackup rig would have been recognized in case of had no impairment loss been recognized in prior years.

***Impairment of KMGI CGU***

For the year ended December 31, 2023, the Group performed its impairment tests for goodwill and downstream, refining and other assets due to existence of impairment indicators at the CGUs of KMGI: CGU Refining, CGU Petrochemicals and CGU Downstream. As the result of the impairment test, recoverable amount of KMGI CGUs were lower than its carrying values. The total impairment loss for the analyzed KMGI's CGUs was 94,962 million tenge, of which CGU Refining was estimated at 80,761 million tenge, for CGU Petrochemicals at 340 million tenge and for CGU Downstream at 13,861 million tenge.

The main impairment indicators have been i) the increased oil & gas market refining margins volatility and decreased market demand in the context of strict decarbonization regulations and geopolitical instability, ii) lack of a long-term decarbonization plan of KMGI, iii) the change in the tax environment in Romania, in particular the introduction at the end of 2023 of a turnover tax in the oil and gas sector in the amount of 0.5%, starting from 2024 to 2025, and further 1% or more depending on the turnover of enterprises.

The Group considered forecasted refining margins and production volumes, among other factors, when analyzing the impairment indicators. The recoverable amount of KMGI CGU Refining was determined based on fair value less costs of disposal (FVLCD), which was calculated using the discounted cash flow method. The key assumptions used in the FVLCD calculations for the CGU were operating profit, including the assumption that KMGI will be able to recover, through an increase in the final selling price, the costs of turnover tax from 2026, discount rates and growth rate used to extrapolate cash flows beyond the budgeted period.

In addition, KMGI applied the assumption that introduced in 2024 an additional tax burden on KMGI turnover will be recovered by a phased increase in the price for the final users.

As of 31 December 2024, KMGI retested for impairment and no additional impairment or reversal of previously recognized impairment was identified.

In June 2023, an incident occurred at the Petromedia Refinery, a subsidiary of KMGI, which led to the temporary decommissioning of the Mild Hydrocracker installation. Petromedia Refinery conducted assessments to estimate the incident consequences and recognized impairment of property, plant and equipment for 2,674 million tenge.

***Exploration expenses***

For the year ended December 31, 2024, the Group recognized impairment loss of 17,703 million tenge on exploration and evaluation assets relating to Abai project due to negative drilling results and the absence of signs of hydrocarbon reserves in the well.

For the year ended December 31, 2023, the Group recognized impairment loss of 40,244 million tenge on exploration and evaluation assets relating to Jenis project due to negative drilling results (the absence of hydrocarbons in the well).

For the year ended December 31, 2023, the Group recognized impairment loss of 74,255 million tenge on exploration and evaluation assets relating to Aktoty and Kairan project, due to the notification of termination of the subsoil use right for the mentioned mining areas received from the Ministry of Energy of RK.

For the year ended December 31, 2023, the Group has recognized impairment of exploration and evaluation assets in the amount of 4,876 million tenge of the Urikhtau, due to the expiration of the Contract for the use of Devonian sediments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****15. INTEREST REVENUE, OTHER FINANCE INCOME / FINANCE COST****Interest revenue calculated using the effective interest method**

| <i>In millions of tenge</i>                                         | <b>2024</b>    | <b>2023</b> |
|---------------------------------------------------------------------|----------------|-------------|
| Interest income on bank deposits, financial assets, loans and bonds | <b>182,627</b> | 139,105     |
| Amortization of issued financial guarantees                         | <b>1,765</b>   | 344         |
|                                                                     | <b>184,392</b> | 139,449     |

**Other finance income**

| <i>In millions of tenge</i>                                                                                    | <b>2024</b>    | <b>2023</b> |
|----------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Recognition of a change in the fair value of a financial instrument due to its modification ( <i>Note 27</i> ) | <b>59,769</b>  | –           |
| Derecognition of loan ( <i>Note 27</i> )                                                                       | <b>48,442</b>  | 4,377       |
| Revaluation of financial assets at fair value through profit or loss                                           | <b>6,806</b>   | 827         |
| Other                                                                                                          | <b>8,273</b>   | 2,128       |
|                                                                                                                | <b>123,290</b> | 7,332       |

**Finance costs**

| <i>In millions of tenge</i>                                                                                                 | <b>2024</b>    | <b>2023</b> |
|-----------------------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Interest expense on loans and bonds ( <i>Note 27</i> )                                                                      | <b>279,227</b> | 271,785     |
| Interest expense on lease liabilities ( <i>Note 28</i> )                                                                    | <b>8,444</b>   | 7,420       |
| Unwinding of discount on payables to Samruk-Kazyna for exercising the Option                                                | –              | 3,256       |
| <b>Interest expense</b>                                                                                                     | <b>287,671</b> | 282,461     |
| Unwinding of discount on asset retirement obligations, for environmental obligation and other provisions ( <i>Note 29</i> ) | <b>18,870</b>  | 13,398      |
| Discount on long-term accounts receivable ( <i>Note 33</i> )                                                                | <b>8,741</b>   | –           |
| Unwinding of discount on employee benefits obligations                                                                      | <b>7,648</b>   | 7,157       |
| Other                                                                                                                       | <b>23,166</b>  | 18,614      |
|                                                                                                                             | <b>346,096</b> | 321,630     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****16. PROPERTY, PLANT AND EQUIPMENT**

| <i>In millions of tenge</i>                                   | <b>Oil and<br/>gas<br/>assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and<br/>improve-<br/>ments</b> | <b>Machinery<br/>and<br/>equip-<br/>ment</b> | <b>Vehicles</b> | <b>Other</b>   | <b>Capital<br/>work in<br/>progress</b> | <b>Total</b>     |
|---------------------------------------------------------------|-----------------------------------|------------------|----------------------------|-------------------------------------------------|----------------------------------------------|-----------------|----------------|-----------------------------------------|------------------|
| <b>Net book value as at<br/>December 31, 2022</b>             | 4,598,235                         | 266,566          | 1,075,385                  | 235,465                                         | 268,052                                      | 74,540          | 115,090        | 360,668                                 | 6,994,001        |
| Business combination (Note 6)                                 | 159,727                           | –                | –                          | 6,020                                           | 854                                          | 49              | 104            | 14,708                                  | 181,462          |
| Foreign currency translation                                  | (72,146)                          | (749)            | (5,719)                    | (2,769)                                         | (525)                                        | (494)           | (1,418)        | (3,864)                                 | (87,684)         |
| Change in estimate                                            | 8,755                             | 793              | –                          | 365                                             | –                                            | –               | –              | (1,572)                                 | 8,341            |
| Additions                                                     | 52,199                            | 2,042            | 63,802                     | 3,527                                           | 6,308                                        | 11,212          | 3,714          | 575,509                                 | 718,313          |
| Disposals                                                     | (18,295)                          | (559)            | (7,751)                    | (1,566)                                         | (3,641)                                      | (2,533)         | (5,055)        | (3,473)                                 | (42,873)         |
| Loss of control over subsidiaries (Note 5)                    | –                                 | –                | –                          | –                                               | –                                            | –               | –              | (5,185)                                 | (5,185)          |
| Depreciation charge                                           | (354,521)                         | (10,666)         | (102,767)                  | (15,290)                                        | (26,001)                                     | (11,145)        | (9,543)        | –                                       | (529,933)        |
| Accumulated depreciation and impairment on<br>disposals       | 17,150                            | 438              | 7,735                      | 912                                             | 3,520                                        | 2,508           | 4,763          | 1,641                                   | 38,667           |
| (Impairment)/reversal of impairment (Note 14)                 | –                                 | (28)             | (83,187)                   | (13,749)                                        | (1,595)                                      | (888)           | 149            | (2,484)                                 | (101,782)        |
| Transfers from/to assets classified as held for sale          | –                                 | –                | –                          | 208                                             | –                                            | (4)             | 2              | –                                       | 206              |
| Transfers from exploration and evaluation assets<br>(Note 17) | 21                                | –                | –                          | –                                               | –                                            | –               | –              | 19                                      | 40               |
| Transfers to investment property                              | –                                 | –                | (702)                      | (1,742)                                         | –                                            | –               | –              | –                                       | (2,444)          |
| Other changes                                                 | 16                                | (25)             | –                          | 133                                             | 44                                           | (2)             | 19             | (72)                                    | 113              |
| Transfers                                                     | 256,521                           | 3,950            | 61,857                     | 31,593                                          | 128,416                                      | 4,852           | 6,586          | (493,775)                               | –                |
| <b>Net book value as at<br/>December 31, 2023 (restated)</b>  | 4,647,662                         | 261,762          | 1,008,653                  | 243,107                                         | 375,432                                      | 78,095          | 114,411        | 442,120                                 | 7,171,242        |
| At cost                                                       | 7,523,664                         | 417,598          | 2,856,817                  | 610,240                                         | 782,754                                      | 234,741         | 261,453        | 513,875                                 | 13,201,142       |
| Accumulated depreciation and impairment                       | (2,876,002)                       | (155,836)        | (1,848,164)                | (367,133)                                       | (407,322)                                    | (156,646)       | (147,042)      | (71,755)                                | (6,029,900)      |
| <b>Net book value as at<br/>December 31, 2023 (restated)</b>  | <b>4,647,662</b>                  | <b>261,762</b>   | <b>1,008,653</b>           | <b>243,107</b>                                  | <b>375,432</b>                               | <b>78,095</b>   | <b>114,411</b> | <b>442,120</b>                          | <b>7,171,242</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 16. PROPERTY, PLANT AND EQUIPMENT (continued)

| <i>In millions of tenge</i>                                   | Oil and<br>gas assets | Pipelines      | Refinery<br>assets | Buildings<br>and<br>improve-<br>ments | Machinery<br>and equip-<br>ment | Vehicles      | Other          | Capital work<br>in progress | Total            |
|---------------------------------------------------------------|-----------------------|----------------|--------------------|---------------------------------------|---------------------------------|---------------|----------------|-----------------------------|------------------|
| <b>Net book value as at<br/>December 31, 2023 (restated)</b>  | <b>4,647,662</b>      | <b>261,762</b> | <b>1,008,653</b>   | <b>243,107</b>                        | <b>375,432</b>                  | <b>78,095</b> | <b>114,411</b> | <b>442,120</b>              | <b>7,171,242</b> |
| Foreign currency translation                                  | 571,416               | 6,245          | 33,626             | 13,340                                | 9,007                           | 4,495         | 12,631         | 35,800                      | 686,560          |
| Change in estimate                                            | (8,763)               | (7,341)        | (2,770)            | (3,197)                               | 687                             | –             | –              | –                           | (21,384)         |
| Additions                                                     | 56,890                | 59             | 69,497             | 947                                   | 7,706                           | 10,187        | 3,910          | 519,302                     | 668,498          |
| Disposals                                                     | (38,605)              | (59)           | (5,681)            | (6,650)                               | (7,267)                         | (3,124)       | (7,612)        | (2,217)                     | (71,215)         |
| Loss of control over subsidiaries<br>(Note 5)                 | –                     | –              | –                  | –                                     | –                               | –             | (28)           | –                           | (28)             |
| Depreciation charge                                           | (390,800)             | (11,358)       | (100,757)          | (13,150)                              | (32,356)                        | (14,141)      | (10,424)       | –                           | (572,986)        |
| Accumulated depreciation and<br>impairment on disposals       | 31,438                | 59             | 5,607              | 6,439                                 | 7,046                           | 3,069         | 6,349          | 1,857                       | 61,864           |
| (Impairment)/reversal of impairment<br>(Note 14)              | –                     | –              | (3,671)            | (2,942)                               | 15,985                          | (2,200)       | 12             | (72,585)                    | (65,401)         |
| Transfers from exploration and<br>evaluation assets (Note 17) | 58                    | –              | –                  | –                                     | –                               | –             | –              | –                           | 58               |
| Transfers to investment property                              | –                     | –              | (425)              | (6,273)                               | (27)                            | –             | (3)            | –                           | (6,728)          |
| Other changes                                                 | 51                    | (4)            | 174                | (301)                                 | 59                              | (1)           | 485            | (16,783)                    | (16,320)         |
| Transfers                                                     | 231,203               | 4,322          | 50,335             | 36,164                                | 26,561                          | 7,687         | 7,487          | (363,759)                   | –                |
| <b>Net book value as at<br/>December 31, 2024</b>             | <b>5,100,550</b>      | <b>253,685</b> | <b>1,054,588</b>   | <b>267,484</b>                        | <b>402,833</b>                  | <b>84,067</b> | <b>127,218</b> | <b>543,735</b>              | <b>7,834,160</b> |
| At cost                                                       | 8,656,287             | 425,890        | 3,205,635          | 681,123                               | 840,291                         | 259,995       | 292,885        | 710,089                     | 15,072,195       |
| Accumulated depreciation and<br>impairment                    | (3,555,737)           | (172,205)      | (2,151,047)        | (413,639)                             | (437,458)                       | (175,928)     | (165,667)      | (166,354)                   | (7,238,035)      |
| <b>Net book value as at<br/>December 31, 2024</b>             | <b>5,100,550</b>      | <b>253,685</b> | <b>1,054,588</b>   | <b>267,484</b>                        | <b>402,833</b>                  | <b>84,067</b> | <b>127,218</b> | <b>543,735</b>              | <b>7,834,160</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****16. PROPERTY, PLANT AND EQUIPMENT (continued)**

For the year ended December 31, 2024, the Group capitalized to the carrying amount of property, plant and equipment borrowing costs in the amount of 3,718 million tenge related to the construction of those property, plant and equipment at the range of capitalized interest rate from 5.71% to 15.75% (as at December 31, 2023: 9,794 million tenge at the range of capitalized interest rate from 6.86% to 18,25%).

As at December 31, 2024, the cost of fully depreciated but still in use property, plant and equipment was 404,898 million tenge (as at December 31, 2023: 370,497 million tenge).

As at December 31, 2024, property, plant and equipment with the net book value of 163,170 million tenge were mainly pledged as collateral to secure borrowings of the Group (as at December 31, 2023: 168,214 million tenge).

Capital commitments are disclosed in Note 35.

**17. EXPLORATION AND EVALUATION ASSETS**

| <i>In millions of tenge</i>                         | <b>Tangible</b> | <b>Intangible</b> | <b>Total</b> |
|-----------------------------------------------------|-----------------|-------------------|--------------|
| <b>Net book value as at December 31, 2022</b>       | 239,002         | 12,278            | 251,280      |
| Additions                                           | 39,905          | 29,590            | 69,495       |
| Foreign currency translation                        | (3,378)         | –                 | (3,378)      |
| Transfer to property, plant and equipment (Note 16) | (40)            | –                 | (40)         |
| Impairment (Note 14)                                | (118,462)       | (9,853)           | (128,315)    |
| Loss of control over subsidiaries (Note 5)          | –               | (14,678)          | (14,678)     |
| Write-off                                           | (2)             | (175)             | (177)        |
| <b>Net book value as at December 31, 2023</b>       | 157,025         | 17,162            | 174,187      |
| Additions                                           | 26,063          | 13,058            | 39,121       |
| Foreign currency translation                        | 21,217          | –                 | 21,217       |
| Change in estimate                                  | 4,008           | –                 | 4,008        |
| Transfer to property, plant and equipment (Note 16) | (58)            | –                 | (58)         |
| Impairment (Note 14)                                | (20,647)        | (1,009)           | (21,656)     |
| Loss of control over subsidiaries (Note 5)          | (191)           | (100)             | (291)        |
| Other transfers                                     | 84              | (84)              | –            |
| Write-off                                           | –               | (80)              | (80)         |
| <b>Net book value as at December 31, 2024</b>       | 187,501         | 28,947            | 216,448      |

As at December 31, 2024 and 2023, the exploration and evaluation assets are represented by the following projects:

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| North Caspian project       | 161,838                      | 140,098              |
| KMG Barlau LLP              | 27,199                       | 14,346               |
| Embamunaigas JSC            | 2,711                        | 1,509                |
| Turgai paleozoi project     | 14,604                       | –                    |
| Other                       | 10,096                       | 18,234               |
|                             | <b>216,448</b>               | 174,187              |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. INTANGIBLE ASSETS

| <i>In millions of tenge</i>                              | Licenses  | Subsoil use rights (under production) | Goodwill  | Marketing related intangible assets | Software | Other    | Total     |
|----------------------------------------------------------|-----------|---------------------------------------|-----------|-------------------------------------|----------|----------|-----------|
| <b>Net book value as at December 31, 2022</b>            | 524,701   | 212,220                               | 100,656   | 27,286                              | 18,254   | 35,144   | 918,261   |
| Foreign currency translation                             | (9,038)   | (3,637)                               | (212)     | (477)                               | (314)    | (274)    | (13,952)  |
| Additions                                                | 148       | 68                                    | –         | –                                   | 1,056    | 14,457   | 15,729    |
| Disposals                                                | (699)     | –                                     | –         | –                                   | (1,198)  | (297)    | (2,194)   |
| Amortization charge                                      | (33,763)  | (11,004)                              | –         | –                                   | (6,027)  | (1,007)  | (51,801)  |
| Accumulated amortization and impairment on disposals     | 695       | –                                     | –         | –                                   | 1,198    | 267      | 2,160     |
| Business combination (Note 6)                            | –         | 667                                   | –         | –                                   | 3,098    | 1,716    | 5,481     |
| Goodwill arising on acquisition (Note 6)                 | –         | –                                     | 9,814     | –                                   | –        | –        | 9,814     |
| Impairment (Note 14)                                     | –         | –                                     | –         | –                                   | –        | (483)    | (483)     |
| Other changes                                            | –         | 62                                    | –         | –                                   | 230      | (24)     | 268       |
| Transfers                                                | 1,265     | –                                     | –         | –                                   | 969      | (2,234)  | –         |
| <b>Net book value as at December 31, 2023 (restated)</b> | 483,309   | 198,376                               | 110,258   | 26,809                              | 17,266   | 47,265   | 883,283   |
| Foreign currency translation                             | 71,153    | 29,423                                | 1,846     | 4,161                               | 882      | 2,243    | 109,708   |
| Additions                                                | 1,100     | 151                                   | –         | –                                   | 3,619    | 3,752    | 8,622     |
| Disposals                                                | (319)     | –                                     | –         | –                                   | (1,736)  | (219)    | (2,274)   |
| Amortization charge                                      | (32,175)  | (10,115)                              | –         | –                                   | (5,472)  | (1,539)  | (49,301)  |
| Accumulated amortization and impairment on disposals     | 319       | –                                     | –         | –                                   | 1,720    | 56       | 2,095     |
| Other changes                                            | 1,002     | –                                     | –         | –                                   | 1,320    | (2,322)  | –         |
| Transfers                                                | –         | 387                                   | –         | –                                   | 83       | (9,447)  | (8,977)   |
| <b>Net book value as at December 31, 2024</b>            | 524,389   | 218,222                               | 112,104   | 30,970                              | 17,682   | 39,789   | 943,156   |
| At cost                                                  | 795,467   | 306,196                               | 220,849   | 79,497                              | 94,036   | 114,224  | 1,610,269 |
| Accumulated amortization and impairment                  | (271,078) | (87,974)                              | (108,745) | (48,527)                            | (76,354) | (74,435) | (667,113) |
| <b>Net book value as at December 31, 2024</b>            | 524,389   | 218,222                               | 112,104   | 30,970                              | 17,682   | 39,789   | 943,156   |
| At cost                                                  | 687,462   | 265,055                               | 219,003   | 68,816                              | 85,944   | 112,936  | 1,439,216 |
| Accumulated amortization and impairment                  | (204,153) | (66,679)                              | (108,745) | (42,007)                            | (68,678) | (65,671) | (555,933) |
| <b>Net book value as at December 31, 2023 (restated)</b> | 483,309   | 198,376                               | 110,258   | 26,809                              | 17,266   | 47,265   | 883,283   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****18. INTANGIBLE ASSETS (continued)**

As at December 31, 2024 and 2023, marketing related intangible assets were represented by trademarks of KMGI.

Carrying amount of goodwill is allocated to each of the group of cash-generating units as follows:

| <b>Cash-generating unit</b> | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023<br/>(restated)</b> |
|-----------------------------|------------------------------|---------------------------------------------|
| Pavlodar refinery CGU       | <b>88,553</b>                | 88,553                                      |
| CGUs of KMGI                | <b>13,737</b>                | 11,891                                      |
| CGU Dunga (Note 6)          | <b>9,814</b>                 | 9,814                                       |
| <b>Total goodwill</b>       | <b>112,104</b>               | 110,258                                     |

In 2024 and 2023, based on the impairment test results, no impairment of Pavlodar refinery, KMGI or Dunga goodwill was recognized. For the detailed discussion of Pavlodar refinery goodwill impairment test refer to *Note 4*.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 19. RIGHT-OF-USE ASSETS

| <i>In millions of tenge</i>                          | Oil and gas<br>assets | Refinery<br>assets | Buildings and<br>improve-<br>ments | Machinery<br>and equip-<br>ment | Vehicles | Other    | Total    |
|------------------------------------------------------|-----------------------|--------------------|------------------------------------|---------------------------------|----------|----------|----------|
| <b>Net book value as at December 31, 2022</b>        | 27,643                | 6,336              | 13,143                             | 3,593                           | 809      | 25,043   | 76,567   |
| Foreign currency translation                         | (517)                 | (103)              | (225)                              | 15                              | 88       | (596)    | (1,338)  |
| Change in estimate                                   | 2,057                 | 19                 | 335                                | 228                             | 336      | 963      | 3,938    |
| Additions                                            | 1,447                 | –                  | 6,028                              | 32                              | 7,601    | 40,634   | 55,742   |
| Disposals                                            | (20,711)              | –                  | (2,337)                            | (115)                           | (4,763)  | (26)     | (27,952) |
| Depreciation charge                                  | (5,319)               | (363)              | (2,788)                            | (3,149)                         | (2,185)  | (4,363)  | (18,167) |
| Accumulated depreciation and impairment on disposals | 6,195                 | –                  | 2,012                              | –                               | 4,701    | 67       | 12,975   |
| <b>Net book value as at December 31, 2023</b>        | 10,795                | 5,889              | 16,168                             | 604                             | 6,587    | 61,722   | 101,765  |
| Foreign currency translation                         | 1,509                 | 816                | 2,010                              | 66                              | 28       | 10,381   | 14,810   |
| Change in estimate                                   | –                     | 88                 | 1,135                              | 1,866                           | (382)    | 4,679    | 7,386    |
| Additions                                            | 3,343                 | –                  | 2,060                              | 2,281                           | 3,517    | 12,589   | 23,790   |
| Disposals                                            | (6,662)               | (18)               | (2,215)                            | (582)                           | (925)    | (5,165)  | (15,567) |
| Depreciation charge                                  | (6,714)               | (371)              | (3,311)                            | (3,172)                         | (2,063)  | (6,101)  | (21,732) |
| Accumulated depreciation and impairment on disposals | 5,880                 | 18                 | 644                                | 379                             | 525      | 5,093    | 12,539   |
| <b>Net book value as at December 31, 2024</b>        | 8,151                 | 6,422              | 16,491                             | 1,442                           | 7,287    | 83,198   | 122,991  |
| At cost                                              | 23,936                | 7,754              | 28,912                             | 16,187                          | 9,112    | 76,628   | 162,529  |
| Accumulated depreciation and impairment              | (13,141)              | (1,865)            | (12,744)                           | (15,583)                        | (2,525)  | (14,906) | (60,764) |
| <b>Net book value as at December 31, 2023</b>        | 10,795                | 5,889              | 16,168                             | 604                             | 6,587    | 61,722   | 101,765  |
| At cost                                              | 20,844                | 8,941              | 34,042                             | 22,545                          | 11,544   | 101,156  | 199,072  |
| Accumulated depreciation and impairment              | (12,693)              | (2,519)            | (17,551)                           | (21,103)                        | (4,257)  | (17,958) | (76,081) |
| <b>Net book value as at December 31, 2024</b>        | 8,151                 | 6,422              | 16,491                             | 1,442                           | 7,287    | 83,198   | 122,991  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. BANK DEPOSITS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|--------------------------------------------|------------------------------|----------------------|
| Denominated in US dollar                   | <b>1,582,708</b>             | 1,055,456            |
| Denominated in tenge                       | <b>5,662</b>                 | 5,628                |
| Less: allowance for expected credit losses | <b>(225)</b>                 | (181)                |
|                                            | <b>1,588,145</b>             | 1,060,903            |

As at December 31, 2024, the weighted average interest rate for long-term bank deposits was 3.54% in US dollars and 6.85% in tenge (December 31, 2023: 2.73% in US dollars and 6.23% in tenge).

As at December 31, 2024, the weighted average interest rate for short-term bank deposits was 4.88% in US dollars and 0.49% in tenge (December 31, 2023: 5.65% in US dollars and 1.38% in tenge).

| <i>In millions of tenge</i>      | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|----------------------------------|------------------------------|----------------------|
| Maturities under 1 year          | <b>1,513,816</b>             | 997,012              |
| Maturities between 1 and 2 years | <b>1,977</b>                 | 279                  |
| Maturities over 2 years          | <b>72,352</b>                | 63,612               |
|                                  | <b>1,588,145</b>             | 1,060,903            |

As at December 31, 2024 bank deposits include those pledged as collateral with carrying value of 74,329 million tenge (December 31, 2023: 63,891 million tenge), which are represented mainly by 71,273 million tenge at restricted bank accounts designated as a liquidation fund per requirements of subsoil use contracts (December 31, 2023: 60,573 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES**

| In millions of tenge                   | Main activity                                                                                    | Place of business   | December 31, 2024 |                      | December 31, 2023 |                      |
|----------------------------------------|--------------------------------------------------------------------------------------------------|---------------------|-------------------|----------------------|-------------------|----------------------|
|                                        |                                                                                                  |                     | Carrying value    | Percentage ownership | Carrying value    | Percentage ownership |
| Joint ventures                         |                                                                                                  |                     |                   |                      |                   |                      |
| Tengizchevroil LLP (TCO) <sup>1</sup>  | Oil and gas exploration and production                                                           | Kazakhstan          | 3,987,223         | 20.00%               | 3,598,510         | 20.00%               |
| Mangistau Investments B.V. Group (MMG) | Oil and gas development and production                                                           | Kazakhstan          | 196,938           | 50.00%               | 203,614           | 50.00%               |
| KALAMKAS-KHAZAR OPERATING LLP (KKO)    | Oil and gas development and production                                                           | Kazakhstan          | 88,018            | 50.00%               | 93,258            | 50.00%               |
| Ural Group Limited (UGL)               | Oil and gas exploration and production                                                           | Kazakhstan          | 67,860            | 50.00%               | 7,641             | 50.00%               |
| KazRosGas LLP (KRG)                    | Processing and sale of natural gas and refined gas products                                      | Kazakhstan          | 66,539            | 50.00%               | 69,479            | 50.00%               |
| Kazakhstan-China Pipeline LLP (KCP)    | Oil transportation                                                                               | Kazakhstan          | 66,202            | 50.00%               | 53,358            | 50.00%               |
| Silleno LLP (Silleno) <sup>2</sup>     | Construction of the first integrated gas-chemical complex                                        | Kazakhstan          | 65,079            | 40.00%               | 17,552            | 60.00%               |
| KazGerMunay LLP (KGM)                  | Oil and gas exploration and production                                                           | Kazakhstan          | 44,264            | 50.00%               | 36,506            | 50.00%               |
| Valsera Holdings B.V. Group (PKOP)     | Oil refining                                                                                     | Kazakhstan          | 37,688            | 50.00%               | 41,515            | 50.00%               |
| KC Energy Group (KCEG) <sup>3</sup>    | Sale of liquefied gas and oil products                                                           | Kazakhstan          | 27,749            | 49.00%               | –                 | –                    |
| Kazakhoil-Aktobe LLP (KOA)             | Production of crude oil                                                                          | Kazakhstan          | 24,028            | 50.00%               | 18,042            | 50.00%               |
| PETROSUN LLP (Petrosun) <sup>3</sup>   | Sale of liquefied gas and oil products                                                           | Kazakhstan          | 8,978             | 49.00%               | 31,740            | 49.00%               |
| Karaton Operating Ltd. (Karaton)       | Oil and gas development and production                                                           | Kazakhstan          | 8,907             | 50.00%               | –                 | –                    |
| Teniz Service LLP (Teniz Service)      | Design, construction and operation of infrastructure facilities, offshore oil operations support | Kazakhstan          | 6,468             | 48.996%              | 8,210             | 48.996%              |
| Other                                  |                                                                                                  |                     | 57,916            |                      | 40,793            |                      |
| Associates                             |                                                                                                  |                     |                   |                      |                   |                      |
| Caspian Pipeline Consortium (CPC)      | Transportation of liquid hydrocarbons                                                            | Kazakhstan / Russia | 484,247           | 20.75%               | 451,913           | 20.75%               |
| PetroKazakhstan Inc. (PKI)             | Exploration, production and processing of oil and gas                                            | Kazakhstan          | 82,175            | 33.00%               | 94,887            | 33.00%               |
| Other                                  |                                                                                                  |                     | 58,234            |                      | 54,409            |                      |
|                                        |                                                                                                  |                     | 5,378,513         |                      | 4,821,427         |                      |

<sup>1</sup>The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.

<sup>2</sup>The share of 40% and 60% as at December 31, 2024 and 2023, respectively, provided the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

<sup>3</sup>KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. It is planned that the activities of PETROSUN LLP will be gradually transferred to KC Energy Group LLP.

All of the above joint ventures and associates are strategic for the Group's business.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

As at December 31, 2024, the Group’s share in unrecognized losses of joint ventures and associates was equal to 112,808 million tenge (December 31, 2023: 7,145 million tenge).

The following table summarizes the movements in the investments in 2024 and 2023:

| <i>In millions of tenge</i>                                      | 2024             | 2023             |
|------------------------------------------------------------------|------------------|------------------|
| <b>On January 1</b>                                              | <b>4,821,427</b> | <b>4,947,403</b> |
| Share in profits of joint ventures and associates, net (Notes 8) | 531,230          | 534,177          |
| Recognition of investment in joint ventures (Note 5)             | 8,255            | 93,258           |
| Disposal of share in joint venture without losing joint control  | (6,393)          | –                |
| Dividends received                                               | (701,104)        | (619,826)        |
| Change in dividends receivable                                   | (58,263)         | (107,633)        |
| Other changes in the equity of the joint venture                 | 57,997           | 41,764           |
| Additional contributions without change in ownership             | 74,209           | 20,117           |
| Disposals, net                                                   | –                | (8,621)          |
| Eliminations and adjustments*                                    | (322)            | (2,140)          |
| Foreign currency translation                                     | 651,477          | (78,088)         |
| Other changes                                                    | –                | 1,016            |
| <b>On December 31</b>                                            | <b>5,378,513</b> | <b>4,821,427</b> |

\* Equity method eliminations and adjustments represent capitalized borrowing costs on the loans provided by the Company and subsidiaries to joint ventures.

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

| <i>In millions of tenge</i>                                       | TCO               | MMG            | KKO             | UGL             | KRG            | KCP            | Silleno        |
|-------------------------------------------------------------------|-------------------|----------------|-----------------|-----------------|----------------|----------------|----------------|
| Non-current assets                                                | 26,176,361        | 453,936        | 31,962          | 242,666         | 19,368         | 119,017        | 132,833        |
| Current assets, including                                         | 2,664,463         | 237,009        | 6,307           | 23,706          | 127,977        | 49,543         | 1,918          |
| Cash and cash equivalents                                         | 1,142,568         | 84,851         | 6,301           | 15,317          | 75,084         | 39,103         | 1,884          |
| Non-current liabilities, including                                | (7,086,258)       | (140,577)      | (43,328)        | (47,481)        | (403)          | (22,936)       | –              |
| Non-current financial liabilities                                 | (3,675,770)       | –              | –               | (24,832)        | –              | –              | –              |
| Current liabilities, including                                    | (1,818,449)       | (159,532)      | (5,819)         | (19,923)        | (13,864)       | (13,220)       | (5,623)        |
| Current financial liabilities                                     | (1,050,220)       | –              | –               | –               | –              | –              | –              |
| <b>Equity</b>                                                     | <b>19,936,117</b> | <b>390,836</b> | <b>(10,878)</b> | <b>198,968</b>  | <b>133,078</b> | <b>132,404</b> | <b>129,128</b> |
| Share of ownership                                                | 20%               | 50%            | 50%             | 50%             | 50%            | 50%            | 40%            |
| Impairment of the investment                                      | –                 | –              | –               | (20,000)        | –              | –              | –              |
| Equity method adjustments                                         | –                 | 1,520          | –               | (11,624)        | –              | –              | 13,428         |
| Recognition of investment                                         | –                 | –              | 93,258          | –               | –              | –              | –              |
| Accumulated unrealized losses                                     | –                 | –              | 199             | –               | –              | –              | –              |
| <b>Carrying amount of the investments as at December 31, 2024</b> | <b>3,987,223</b>  | <b>196,938</b> | <b>88,018</b>   | <b>67,860</b>   | <b>66,539</b>  | <b>66,202</b>  | <b>65,079</b>  |
| Revenue                                                           | 8,358,505         | 871,754        | –               | 26,561          | 255,369        | 87,939         | –              |
| Depreciation, depletion and amortization                          | (2,615,840)       | (94,355)       | –               | (6)             | (312)          | (10,267)       | (31)           |
| Finance income                                                    | 116,985           | 1,800          | 139             | –               | 6,602          | 2,688          | 800            |
| Finance costs                                                     | (240,018)         | (17,802)       | (1,495)         | (586)           | –              | (333)          | (80)           |
| Income tax expenses                                               | (669,126)         | (38,238)       | –               | 9,581           | (14,569)       | (10,519)       | –              |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>1,517,402</b>  | <b>71,452</b>  | <b>(10,479)</b> | <b>(17,923)</b> | <b>38,314</b>  | <b>41,688</b>  | <b>(2,138)</b> |
| Other comprehensive income / (loss)                               | 2,693,108         | 4,365          | –               | 33,036          | 20,455         | (1)            | –              |
| <b>Total comprehensive income/(loss)</b>                          | <b>4,210,510</b>  | <b>75,817</b>  | <b>(10,479)</b> | <b>15,113</b>   | <b>58,769</b>  | <b>41,687</b>  | <b>(2,138)</b> |
| Dividends received                                                | 389,991           | 44,584         | –               | –               | 53,276         | 8,000          | –              |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

| <i>In millions of tenge</i>                                       | <b>KGM</b>    | <b>PKOP</b>    | <b>KCEG</b>   | <b>KOA</b>    | <b>Petrosun</b> | <b>Karaton</b> | <b>Teniz Service</b> |
|-------------------------------------------------------------------|---------------|----------------|---------------|---------------|-----------------|----------------|----------------------|
| Non-current assets                                                | 83,427        | 414,933        | 133           | 30,963        | –               | 6,272          | 6,332                |
| Current assets, including                                         | 57,674        | 111,847        | 176,367       | 42,928        | 20,485          | 4,560          | 8,602                |
| <i>Cash and cash equivalents</i>                                  | 45,346        | 48,361         | 42,673        | 33,661        | 18,020          | 295            | 7,270                |
| Non-current liabilities, including                                | (18,375)      | (278,761)      | –             | (16,468)      | –               | (8,130)        | (736)                |
| <i>Non-current financial liabilities</i>                          | –             | (226,189)      | –             | –             | –               | –              | –                    |
| Current liabilities, including                                    | (34,198)      | (120,536)      | (119,870)     | (9,366)       | (2,162)         | (1,399)        | (998)                |
| <i>Current financial liabilities</i>                              | –             | (71,775)       | –             | –             | –               | –              | –                    |
| <b>Equity</b>                                                     | <b>88,528</b> | <b>127,483</b> | <b>56,630</b> | <b>48,057</b> | <b>18,323</b>   | <b>1,303</b>   | <b>13,200</b>        |
| Share of ownership                                                | 50%           | 50%            | 49%           | 50%           | 49%             | 50%            | 48.996%              |
| Accumulated unrealized losses                                     | –             | (26,053)       | –             | –             | –               | –              | –                    |
| Equity method adjustments                                         | –             | –              | –             | –             | –               | 8,255          | –                    |
| <b>Carrying amount of the investments as at December 31, 2024</b> | <b>44,264</b> | <b>37,688</b>  | <b>27,749</b> | <b>24,028</b> | <b>8,978</b>    | <b>8,907</b>   | <b>6,468</b>         |
| Revenue                                                           | 148,440       | 256,007        | 791,620       | 77,345        | 707,668         | –              | 2,077                |
| <i>Depreciation, depletion and amortization</i>                   | (23,042)      | (33,021)       | –             | (8,196)       | (17)            | –              | (438)                |
| Finance income                                                    | 1,066         | 1,968          | 2,374         | 5,528         | 3,179           | 1,704          | 849                  |
| Finance costs                                                     | (1,096)       | (29,742)       | (1,170)       | (2,344)       | (2,622)         | (383)          | (68)                 |
| Income tax expenses                                               | (25,528)      | (7,484)        | (13,918)      | (2,814)       | (13,687)        | –              | –                    |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>50,672</b> | <b>(353)</b>   | <b>55,690</b> | <b>11,973</b> | <b>53,547</b>   | <b>1,304</b>   | <b>(3,556)</b>       |
| Other comprehensive income/(loss)                                 | 9,658         | (86)           | –             | –             | –               | –              | –                    |
| <b>Total comprehensive income/(loss)</b>                          | <b>60,330</b> | <b>(439)</b>   | <b>55,690</b> | <b>11,973</b> | <b>53,547</b>   | <b>1,304</b>   | <b>(3,556)</b>       |
| Dividends received                                                | 23,389        | 3,285          | –             | –             | 49,000          | –              | –                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2023:

| <i>In millions of tenge</i>                                       | <b>TCO</b>         | <b>MMG</b>       | <b>KKO</b>    | <b>UGL</b>       | <b>KRG</b>     | <b>KCP</b>      | <b>Silleno</b> |
|-------------------------------------------------------------------|--------------------|------------------|---------------|------------------|----------------|-----------------|----------------|
| Non-current assets                                                | 24,831,196         | 462,565          | 9,192         | 193,637          | 33,032         | 127,038         | 36,284         |
| Current assets, including                                         | 1,863,832          | 199,708          | 1,232         | 11,475           | 148,932        | 49,554          | 5,546          |
| <i>Cash and cash equivalents</i>                                  | <i>696,871</i>     | <i>89,410</i>    | <i>112</i>    | <i>6,905</i>     | <i>65,122</i>  | <i>23,837</i>   | <i>5,516</i>   |
| Non-current liabilities, including                                | (7,434,076)        | (132,981)        | (10,376)      | (145,798)        | (238)          | (23,107)        | –              |
| <i>Non-current financial liabilities</i>                          | <i>(4,091,040)</i> | –                | –             | <i>(119,188)</i> | –              | –               | –              |
| Current liabilities, including                                    | (1,268,404)        | (119,109)        | (324)         | (4,033)          | (42,769)       | (46,768)        | (18,222)       |
| <i>Current financial liabilities</i>                              | –                  | –                | –             | –                | –              | <i>(32,843)</i> | –              |
| <b>Equity</b>                                                     | <b>17,992,548</b>  | <b>410,183</b>   | <b>(276)</b>  | <b>55,281</b>    | <b>138,957</b> | <b>106,717</b>  | <b>23,608</b>  |
| Share of ownership                                                | 20%                | 50%              | 50%           | 50%              | 50%            | 50%             | 60%            |
| Impairment of the investment                                      | –                  | –                | –             | (20,000)         | –              | –               | –              |
| Equity method adjustments                                         | –                  | (1,477)          | –             | –                | –              | –               | 3,560          |
| Recognition of investment                                         | –                  | –                | 93,258        | –                | –              | –               | –              |
| Accumulated unrealized losses                                     | –                  | –                | 138           | –                | –              | –               | (173)          |
| <b>Carrying amount of the investments as at December 31, 2023</b> | <b>3,598,510</b>   | <b>203,614</b>   | <b>93,258</b> | <b>7,641</b>     | <b>69,479</b>  | <b>53,358</b>   | <b>17,552</b>  |
| Revenue                                                           | 8,796,634          | 878,362          | –             | (352)            | 260,125        | 86,843          | –              |
| <i>Depreciation, depletion and amortization</i>                   | <i>(2,426,361)</i> | <i>(107,455)</i> | –             | <i>(109)</i>     | <i>(295)</i>   | <i>(10,170)</i> | –              |
| Finance income                                                    | 86,023             | 784              | 2             | –                | 2,243          | 585             | (14)           |
| Finance costs                                                     | (283,225)          | (14,411)         | (118)         | (606)            | –              | (3,628)         | 215            |
| Income tax expenses                                               | (730,465)          | (47,354)         | –             | 8,206            | (13,996)       | (9,341)         | –              |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>1,704,419</b>   | <b>76,510</b>    | <b>(44)</b>   | <b>(94,011)</b>  | <b>64,648</b>  | <b>37,440</b>   | <b>(992)</b>   |
| Other comprehensive (loss)/income                                 | (325,499)          | 1,285            | –             | (3,243)          | (305)          | 1               | –              |
| <b>Total comprehensive income/(loss)</b>                          | <b>1,378,920</b>   | <b>77,795</b>    | <b>(44)</b>   | <b>(97,254)</b>  | <b>64,343</b>  | <b>37,441</b>   | <b>(992)</b>   |
| Dividends received                                                | 426,893            | –                | –             | –                | 553            | 2,500           | –              |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2023:

| <i>In millions of tenge</i>                                       | <b>KGM</b> | <b>PKOP</b> | <b>KOA</b> | <b>Petrosun</b> | <b>Teniz Service</b> |
|-------------------------------------------------------------------|------------|-------------|------------|-----------------|----------------------|
| Non-current assets                                                | 64,031     | 431,261     | 41,969     | 17              | 8,898                |
| Current assets, including                                         | 52,764     | 114,561     | 23,956     | 137,202         | 16,907               |
| <i>Cash and cash equivalents</i>                                  | 44,840     | 66,459      | 10,794     | 6,440           | 14,619               |
| Non-current liabilities, including                                | (14,966)   | (304,590)   | (18,608)   | –               | (545)                |
| <i>Non-current financial liabilities</i>                          | –          | (258,338)   | –          | –               | –                    |
| Current liabilities, including                                    | (28,817)   | (106,740)   | (11,233)   | (72,443)        | (8,504)              |
| <i>Current financial liabilities</i>                              | –          | (80,398)    | –          | –               | –                    |
| <b>Equity</b>                                                     | 73,012     | 134,492     | 36,084     | 64,776          | 16,756               |
| Share of ownership                                                | 50%        | 50%         | 50%        | 49%             | 48.996%              |
| Impairment of the investment                                      | –          | –           | –          | –               | –                    |
| Equity method adjustments                                         | –          | –           | –          | –               | –                    |
| Accumulated unrealized losses                                     | –          | (25,731)    | –          | –               | –                    |
| <b>Carrying amount of the investments as at December 31, 2023</b> | 36,506     | 41,515      | 18,042     | 31,740          | 8,210                |
| Revenue                                                           | 145,728    | 250,435     | 80,064     | 1,336,888       | 13,994               |
| <i>Depreciation, depletion and amortization</i>                   | (20,007)   | (41,216)    | (10,365)   | (14)            | (632)                |
| Finance income                                                    | 1,292      | 6,013       | 851        | 3,258           | 313                  |
| Finance costs                                                     | (1,667)    | (36,390)    | (375)      | (1,006)         | (56)                 |
| Income tax expenses                                               | (27,450)   | (12,954)    | (11,617)   | (23,812)        | (3,390)              |
| <b>Profit/(loss) for the year from continuing operations</b>      | 41,965     | 34,592      | (3,737)    | 95,034          | 237                  |
| Other comprehensive loss                                          | (1,729)    | 16          | –          | –               | –                    |
| <b>Total comprehensive income/(loss)</b>                          | 40,236     | 34,608      | (3,737)    | 95,034          | 237                  |
| Dividends received                                                | 15,793     | –           | 7,000      | 39,200          | 2,303                |

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2024:

| <i>In millions of tenge</i>                     | <b>December 31, 2024</b> |            |
|-------------------------------------------------|--------------------------|------------|
|                                                 | <b>CPC</b>               | <b>PKI</b> |
| Non-current assets                              | 2,109,714                | 174,833    |
| Current assets                                  | 288,618                  | 139,072    |
| Non-current liabilities                         | (8,147)                  | (16,382)   |
| Current liabilities                             | (299,418)                | (27,971)   |
| <b>Equity</b>                                   | 2,090,767                | 269,552    |
| Share of ownership                              | 20.75%                   | 33%        |
| Goodwill                                        | 50,413                   | –          |
| Impairment of the investment                    | –                        | (6,778)    |
| <b>Carrying amount of the investment</b>        | 484,247                  | 82,175     |
| Revenue                                         | 1,063,100                | 132,943    |
| <i>Depreciation, depletion and amortization</i> | (221,309)                | (25,378)   |
| Finance income                                  | 15,676                   | 2,011      |
| Finance costs                                   | (1,558)                  | (1,269)    |
| Income tax expenses                             | (95,835)                 | (9,368)    |
| <b>Profit for the year</b>                      | 392,890                  | 6,828      |
| Other comprehensive loss                        | 334,726                  | 20,354     |
| <b>Total comprehensive income</b>               | 727,616                  | 27,182     |
| Dividends received                              | 105,910                  | 17,920     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2023:

| <i>In millions of tenge</i>              | <b>December 31, 2023</b> |                |
|------------------------------------------|--------------------------|----------------|
|                                          | <b>CPC</b>               | <b>PKI</b>     |
| Non-current assets                       | 1,969,703                | 206,008        |
| Current assets                           | 295,663                  | 138,626        |
| Non-current liabilities                  | (18,722)                 | (20,063)       |
| Current liabilities                      | (279,064)                | (16,497)       |
| <b>Equity</b>                            | <b>1,967,580</b>         | <b>308,074</b> |
| Share of ownership                       | 20.75%                   | 33%            |
| Goodwill                                 | 43,640                   | –              |
| Impairment of the investment             | –                        | (6,778)        |
| <b>Carrying amount of the investment</b> | <b>451,913</b>           | <b>94,887</b>  |
| Revenue                                  | 1,039,509                | 128,343        |
| Depreciation, depletion and amortization | (245,423)                | (25,990)       |
| Finance income                           | 14,080                   | 926            |
| Finance costs                            | (1,519)                  | (1,172)        |
| Income tax expenses                      | (118,490)                | (7,009)        |
| <b>Profit for the year</b>               | <b>310,160</b>           | <b>14,814</b>  |
| Other comprehensive loss                 | (42,915)                 | (4,927)        |
| <b>Total comprehensive income</b>        | <b>267,245</b>           | <b>9,887</b>   |
| Dividends received                       | 113,892                  | 2,864          |

The following tables illustrate aggregate financial information of individually immaterial joint ventures (the Group's proportional share):

| <i>In millions of tenge</i>                                 | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|-------------------------------------------------------------|------------------------------|------------------------------|
| <b>Group share in:</b>                                      |                              |                              |
| Non-current assets                                          | <b>70,182</b>                | 46,566                       |
| Current assets                                              | <b>30,806</b>                | 19,485                       |
| Non-current liabilities                                     | <b>(27,553)</b>              | (16,170)                     |
| Current liabilities                                         | <b>(17,652)</b>              | (10,560)                     |
| Goodwill                                                    | <b>172</b>                   | 172                          |
| Accumulated unrecognized share of losses                    | <b>1,961</b>                 | 1,300                        |
| <b>Carrying amount of the investments as at December 31</b> | <b>57,916</b>                | <b>40,793</b>                |
| Profit for the year from continuing operations              | <b>2,497</b>                 | 4,286                        |
| Other comprehensive loss                                    | <b>(118)</b>                 | (844)                        |
| <b>Total comprehensive income</b>                           | <b>2,379</b>                 | <b>3,442</b>                 |
| Unrecognized share of loss                                  | <b>(761)</b>                 | (204)                        |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****21. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate aggregate financial information of individually immaterial associates (the Group’s proportional share):

| <i>In millions of tenge</i>                                 | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-------------------------------------------------------------|------------------------------|----------------------|
| <b>Group share in:</b>                                      |                              |                      |
| Non-current assets                                          | <b>65,590</b>                | 60,636               |
| Current assets                                              | <b>85,423</b>                | 92,172               |
| Non-current liabilities                                     | <b>(12,685)</b>              | (17,916)             |
| Current liabilities                                         | <b>(80,094)</b>              | (81,358)             |
| Accumulated unrecognized share of losses                    | <b>–</b>                     | 875                  |
| <b>Carrying amount of the investments as at December 31</b> | <b>58,234</b>                | 54,409               |
| Profit for the year from continuing operations              | <b>1,672</b>                 | 7,103                |
| Other comprehensive income                                  | <b>3,066</b>                 | 375                  |
| <b>Total comprehensive income</b>                           | <b>4,738</b>                 | 7,478                |

**22. INVENTORIES**

| <i>In millions of tenge</i>                                  | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|--------------------------------------------------------------|------------------------------|----------------------|
| Materials and supplies (at cost)                             | <b>231,205</b>               | 232,469              |
| Crude oil (at cost)                                          | <b>92,028</b>                | 61,621               |
| Refined products (at lower of cost and net realizable value) | <b>90,508</b>                | 82,354               |
|                                                              | <b>413,741</b>               | 376,444              |

As at December 31, 2024 carrying value of inventories under pledge as collateral amounted to 225,073 million tenge (December 31, 2023: 186,378 million tenge).

**23. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|--------------------------------------------|------------------------------|----------------------|
| <b>Trade accounts receivable</b>           |                              |                      |
| Trade accounts receivable                  | <b>472,143</b>               | 593,448              |
| Less: allowance for expected credit losses | <b>(29,086)</b>              | (32,190)             |
|                                            | <b>443,057</b>               | 561,258              |
| <b>Other current financial assets</b>      |                              |                      |
| Other receivables                          | <b>117,313</b>               | 97,771               |
| Dividends receivable                       | <b>7,997</b>                 | 20,952               |
| Less: allowance for expected credit losses | <b>(61,782)</b>              | (43,853)             |
|                                            | <b>63,528</b>                | 74,870               |
| <b>Other current non-financial assets</b>  |                              |                      |
| Advances paid and prepaid expenses         | <b>137,553</b>               | 91,769               |
| Taxes receivable, other than VAT           | <b>37,414</b>                | 63,188               |
| Other                                      | <b>6,643</b>                 | 5,659                |
| Less: impairment allowance                 | <b>(856)</b>                 | (3,359)              |
|                                            | <b>180,754</b>               | 157,257              |
| <b>Total other current assets</b>          | <b>244,282</b>               | 232,127              |

As at December 31, 2024 and 2023, the above assets were non-interest bearing.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****23. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)**

As at December 31, 2024, trade accounts receivable with a carrying value of 181,246 million tenge are pledged as collateral (December 31, 2023: 197,546 million tenge).

As of December 31, 2024 and 2023, trade accounts receivable is denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| US dollars                  | <b>280,970</b>               | 364,490              |
| Tenge                       | <b>94,420</b>                | 121,165              |
| Romanian Leu                | <b>63,296</b>                | 68,896               |
| Euro                        | <b>2,770</b>                 | 3,324                |
| Other currency              | <b>1,601</b>                 | 3,383                |
|                             | <b>443,057</b>               | 561,258              |

Movements in the allowance for expected credit losses and impairment were as follows:

| <i>In millions of tenge</i>    | <b>Individually impaired</b>                                                    |                                                   |
|--------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------|
|                                | <b>Trade accounts<br/>receivable and<br/>other current<br/>financial assets</b> | <b>Other current<br/>non-financial<br/>assets</b> |
| <b>As at December 31, 2022</b> | 71,494                                                                          | 157                                               |
| Charge for the year, net       | 8,691                                                                           | 3,204                                             |
| Written-off                    | (4,336)                                                                         | -                                                 |
| Foreign currency translation   | 194                                                                             | (2)                                               |
| <b>As at December 31, 2023</b> | 76,043                                                                          | 3,359                                             |
| Charge for the year, net       | <b>8,134</b>                                                                    | <b>(2,545)</b>                                    |
| Written-off                    | <b>(1,175)</b>                                                                  | -                                                 |
| Foreign currency translation   | <b>7,866</b>                                                                    | <b>42</b>                                         |
| <b>As at December 31, 2024</b> | <b>90,868</b>                                                                   | <b>856</b>                                        |

Set out below is the information about credit risk exposure on the Group's trade receivables using a provision matrix:

| <i>In millions of tenge</i> | <b>Days past due</b> |                    |                   |                   |                    | <b>Total</b>    |
|-----------------------------|----------------------|--------------------|-------------------|-------------------|--------------------|-----------------|
|                             | <b>Current</b>       | <b>&lt;30 days</b> | <b>30-60 days</b> | <b>61-90 days</b> | <b>&gt;91 days</b> |                 |
| <b>December 31, 2024</b>    |                      |                    |                   |                   |                    |                 |
| Expected credit loss rate   | <b>0.38%</b>         | <b>0.96%</b>       | <b>5.72%</b>      | <b>3.64%</b>      | <b>79.41%</b>      |                 |
| Trade accounts receivable   | <b>405,631</b>       | <b>21,091</b>      | <b>3,347</b>      | <b>8,240</b>      | <b>33,834</b>      | <b>472,143</b>  |
| Expected credit losses      | <b>(1,524)</b>       | <b>(202)</b>       | <b>(191)</b>      | <b>(300)</b>      | <b>(26,869)</b>    | <b>(29,086)</b> |
| <b>December 31, 2023</b>    |                      |                    |                   |                   |                    |                 |
| Expected credit loss rate   | 0.23%                | 12.18%             | 14.33%            | 5.84%             | 58.78%             |                 |
| Trade accounts receivable   | 519,801              | 16,351             | 1,594             | 7,527             | 48,175             | 593,448         |
| Expected credit losses      | (1,214)              | (1,991)            | (229)             | (439)             | (28,317)           | (32,190)        |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****24. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES**

| <i>In millions of tenge</i>                   | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------------------------|------------------------------|----------------------|
| <b>At amortized cost</b>                      |                              |                      |
| NB RK notes (Note 33)                         | <b>38,329</b>                | 43,709               |
| Loans due from related parties (Note 33)      | <b>35,074</b>                | 50,103               |
| Bonds receivable from Samruk-Kazyna (Note 33) | <b>32,539</b>                | 21,021               |
| Other                                         | <b>6,933</b>                 | 7,032                |
| Less: allowance for expected credit losses    | <b>(705)</b>                 | (1,863)              |
|                                               | <b>112,170</b>               | 120,002              |

**At fair value through profit or loss**

|                                                             |                |         |
|-------------------------------------------------------------|----------------|---------|
| Loans due from related parties (Note 33)                    | <b>82,945</b>  | 86,173  |
| Guaranteed returns from shareholders of joint venture       | <b>10,798</b>  | 13,728  |
|                                                             | <b>93,743</b>  | 99,901  |
| <b>Total loans and receivables due from related parties</b> | <b>205,913</b> | 219,903 |

Loans and receivables due from related parties are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| Tenge                       | <b>105,256</b>               | 114,939              |
| US dollars                  | <b>100,657</b>               | 104,964              |
|                             | <b>205,913</b>               | 219,903              |

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| Current portion             | <b>84,240</b>                | 125,569              |
| Non-current portion         | <b>121,673</b>               | 94,334               |
|                             | <b>205,913</b>               | 219,903              |

Movements in the allowance for expected credit losses of loans and receivables due from related parties were as follows:

| <i>In millions of tenge</i>    |            |
|--------------------------------|------------|
| <b>As at December 31, 2022</b> | 1,878      |
| Charged, net                   | (17)       |
| Foreign currency translation   | 2          |
| <b>As at December 31, 2023</b> | 1,863      |
| Charged, net                   | (73)       |
| Written off                    | (1,086)    |
| Foreign currency translation   | 1          |
| <b>As at December 31, 2024</b> | <b>705</b> |

As at December 31, 2024 and 2023 for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). Since initial recognition of the loans and receivables due from related parties there have been no significant increases in credit risk.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. CASH AND CASH EQUIVALENTS**

| <i>In millions of tenge</i>                                                    | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|--------------------------------------------------------------------------------|------------------------------|----------------------|
| Term deposits with banks – US dollar                                           | <b>848,432</b>               | 580,214              |
| Term deposits with banks – tenge                                               | <b>172,922</b>               | 124,702              |
| Term deposits with banks – other currencies                                    | <b>60,346</b>                | 76,316               |
| Current accounts with banks – US dollar                                        | <b>78,600</b>                | 120,787              |
| Current accounts with banks – tenge                                            | <b>7,786</b>                 | 13,321               |
| Current accounts with banks – other currencies                                 | <b>17,689</b>                | 10,409               |
| The contracts of reverse repo with original maturities of three months or less | <b>26,395</b>                | 116,091              |
| Cash in transit                                                                | <b>1,864</b>                 | 5,463                |
| Cash-on-hand and cheques                                                       | <b>2,487</b>                 | 3,613                |
| Less: allowance for expected credit losses                                     | <b>(70)</b>                  | (43)                 |
|                                                                                | <b>1,216,451</b>             | 1,050,873            |

Term deposits with banks are made for various periods of between one day and three months, depending on the immediate cash requirements of the Group.

As at December 31, 2024, the weighted average interest rate for time deposits with banks was 4.22% in US dollars, 14.53% in tenge and 5.18% in other currencies (December 31, 2023: 5.40% in US dollars, 15.45% in tenge and 5.99% in other currencies).

As at December 31, 2024 and 2023, cash and cash equivalents were not pledged as collateral for obligations of the Group.

**26. EQUITY****Share capital**

Total number of outstanding, issued and paid shares comprises:

|                                                    | <b>December 31,<br/>2024 and 2023</b> |
|----------------------------------------------------|---------------------------------------|
| <b>Number of shares issued and paid, including</b> | <b>610,119,493</b>                    |
| Par value of 27,726.63 tenge                       | 137,900                               |
| Par value of 10,000 tenge                          | 20,719,604                            |
| Par value of 5,000 tenge                           | 59,707,029                            |
| Par value of 2,500 tenge                           | 71,104,187                            |
| Par value of 2,451 tenge                           | 1                                     |
| Par value of 1,000 tenge                           | 1                                     |
| Par value of 921 tenge                             | 1                                     |
| Par value of 858 tenge                             | 1                                     |
| Par value of 838 tenge                             | 1                                     |
| Par value of 704 tenge                             | 1                                     |
| Par value of 592 tenge                             | 1                                     |
| Par value of 500 tenge                             | 458,450,766                           |
| <b>Share capital (thousands of tenge)</b>          | <b>916,540,545</b>                    |

As at December 31, 2024 and 2023, the Company had only one class of issued shares. As at December 31, 2024 and 2023, common shares in the number of 239,440,103 were authorized, but not issued. In 2024, there was no issuance of any ordinary share.

**Dividends**

In 2024, based on the decision of Shareholders, the Company declared and paid off dividends for 2023 of 491.71 tenge per common share in the total of 300,002 million tenge (2023: declared and paid-off dividends for 2022 of 491.71 tenge per common share in the total of 300,002 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**26. EQUITY (continued)****Dividends (continued)**

In 2024, the Group declared and paid-off dividends to the non-controlling interest holders of KTO, KMGI in the total amount of 2,820 million tenge and 2,759 million tenge, respectively (2023: 1,500 million tenge and 1,572 million tenge, respectively).

**Transactions with Samruk-Kazyna**

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within finance income (*Note 15*) in these consolidated financial statements in the amount of 59,769 million tenge.

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity.

In 2023, Samruk-Kazyna purchased the Company placed bonds for 70,000 million tenge. The difference between the fair value and nominal amount of bonds of 30,824 million tenge was recognized as an increase in equity within Transactions with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 33*).

In 2023, Samruk-Kazyna received a loan from KMG Karachaganak LLP, subsidiary of the Company, in the amount of 25,000 million tenge with maturity in December 2024. The difference between the fair value and nominal amount of bonds of 4,227 million tenge was recognized as a decrease in equity within Transactions with Samruk-Kazyna in the consolidated statement of changes in equity. In November 2024, the loan term was extended until December 2025. As a result, the Group recognized the effect of the loan modification in the amount of 2,904 million tenge as Transactions with Samruk-Kazyna in the consolidated statement of changes in equity.

**Distributions to Samruk-Kazyna**

In 2024, in accordance with the Government decree on the construction of social objects in Zhana-ozen town and housing for the residents, living in Zhana-ozen town, the Group accrued liabilities and paid liabilities for 16 million tenge and 2,059 million tenge, respectively (2023: 120 million tenge).

**Contributions from the related party**

In December 2023, the Company acquired 99.9% and 0.1% interest in Polimer Production LLP (further Polimer) from Samruk-Kazyna Odeu LLP (further SKO), subsidiary of Samruk-Kazyna, and JSC UK MEZ HimPark Taraz, the third party, for consideration of 1,520 million tenge.

The Group has control over Polimer and recognized Polimer as a subsidiary. The acquisition accounted for as an acquisition of the subsidiary from the parties under common control and accounted for under the pooling of interest method based on the carrying value of assets and liabilities of Polimer based on Predecessor's accounting books.

The difference of 1,520 million tenge between the consideration and net assets of Polimer was recognized in equity.

In 2023, SKO, a previous shareholder of Polimer, made a contribution to the share capital of Polimer for 14,155 million tenge and repaid Polimer's debt to a third party in the amount of 672 million tenge. The Group recognized this as Contribution from the related party in the consolidated statement of changes in equity.

**Other operations with Samruk-Kazyna**

In 2023, in accordance with the Order of the President of the RK on the construction of the Sport Complex in the city of Uralsk as a result of his working visit to the West Kazakhstan region dated March 9, 2023, the Group recognized an obligation for the construction of the Sport Complex for the total amount of 17,925 million tenge and recognized it in the consolidated statement of changes in equity. The Company made an advance payment in the amount of 8,962 million tenge. In 2024, the Group increased accrued liabilities for the construction of the Sports Complex in the city of Uralsk in the amount of 1,989 million tenge (*Note 29*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. EQUITY (continued)****Other operations with Samruk-Kazyna (continued)**

As of December 31, 2024, the Group completed the construction of the Sports Complex in the city of Uralsk, and on January 22, 2025, the Group carried out state registration of putting the facility into operation and ownership act. As of December 31, 2024, the Company offset the accrued liability in the amount of 19,914 million tenge with the carrying amount of Sports Complex.

**Book value per share**

In accordance with the decision of KASE dated October 4, 2010 financial statements shall disclose book value per share (ordinary and preferred) as of the reporting date, calculated in accordance with the KASE rules.

| <i>In millions of tenge</i>                              | <b>December 31,<br/>2024</b> | December 31,<br>2023<br>(restated) |
|----------------------------------------------------------|------------------------------|------------------------------------|
| Total assets                                             | <b>18,934,647</b>            | 16,941,101                         |
| Less: intangible assets                                  | <b>943,156</b>               | 883,283                            |
| Less: total liabilities                                  | <b>7,010,363</b>             | 6,544,487                          |
| <b>Net assets</b>                                        | <b>10,981,128</b>            | 9,513,331                          |
| Number of ordinary shares                                | <b>610,119,493</b>           | 610,119,493                        |
| <b>Book value per ordinary share (in thousand tenge)</b> | <b>17.998</b>                | 15.593                             |

**Earnings per share**

| <i>In thousand tenge</i>                                                          | <b>2024</b>        | 2023        |
|-----------------------------------------------------------------------------------|--------------------|-------------|
| Weighted average number of common shares for basic and diluted earnings per share | <b>610,119,493</b> | 610,119,493 |
| Basic and diluted earnings per share                                              | <b>1.794</b>       | 1.578       |

**Non-controlling interests**

The following tables illustrate information of subsidiaries in which the Group has significant non-controlling interests:

|                                 |                                                       | <b>December 31, 2024</b>               |                           | December 31, 2023             |                   |
|---------------------------------|-------------------------------------------------------|----------------------------------------|---------------------------|-------------------------------|-------------------|
|                                 | <b>Country of<br/>incorporation<br/>and operation</b> | <b>Non-<br/>controlling<br/>shares</b> | <b>Carrying<br/>value</b> | Non-<br>controlling<br>shares | Carrying<br>value |
| Rompetrol Downstream S.R.L.     | Romania                                               | <b>45.37%</b>                          | <b>82,724</b>             | 45.37%                        | 67,535            |
| KTO                             | Kazakhstan                                            | <b>10.00%</b>                          | <b>63,870</b>             | 10.00%                        | 59,156            |
| Rompetrol Petrochemicals S.R.L. | Romania                                               | <b>45.37%</b>                          | <b>22,120</b>             | 45.37%                        | 18,572            |
| Rompetrol Vega                  | Romania                                               | <b>45.37%</b>                          | <b>(29,521)</b>           | 45.37%                        | (25,320)          |
| KMG EP                          | Kazakhstan                                            | –                                      | –                         | 0.28%                         | 8,215             |
| Rompetrol Rafinare S.A.         | Romania                                               | <b>45.37%</b>                          | <b>(310,421)</b>          | 45.37%                        | (253,347)         |
| Other                           |                                                       |                                        | <b>61,440</b>             |                               | 25,785            |
|                                 |                                                       |                                        | <b>(109,788)</b>          |                               | (99,404)          |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2024 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream<br/>S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>Rompetrol Vega</b> | <b>Rompetrol<br/>Refinare S.A.</b> |
|-------------------------------------------------------------------|--------------------------------------------|----------------|------------------------------------------------|-----------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                            |                |                                                |                       |                                    |
| Non-current assets                                                | 133,296                                    | 840,928        | 2,897                                          | 27,976                | 118,375                            |
| Current assets                                                    | 234,461                                    | 139,023        | 46,503                                         | 17,223                | 56,753                             |
| Non-current liabilities                                           | (71,025)                                   | (204,199)      | (500)                                          | (47,700)              | (176,147)                          |
| Current liabilities                                               | (114,409)                                  | (112,191)      | (147)                                          | (62,563)              | (683,150)                          |
| <b>Total equity</b>                                               | <b>182,323</b>                             | <b>663,561</b> | <b>48,753</b>                                  | <b>(65,064)</b>       | <b>(684,169)</b>                   |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                       |                                    |
| Equity holder of the Parent Company                               | 99,599                                     | 599,691        | 26,633                                         | (35,543)              | (373,748)                          |
| Non-controlling interests                                         | 82,724                                     | 63,870         | 22,120                                         | (29,521)              | (310,421)                          |
| <b>Summarized statement of comprehensive income</b>               |                                            |                |                                                |                       |                                    |
| Revenue                                                           | 889,308                                    | 311,900        | –                                              | 87,742                | 1,522,309                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>8,990</b>                               | <b>65,092</b>  | <b>1,312</b>                                   | <b>402</b>            | <b>(31,651)</b>                    |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>33,477</b>                              | <b>72,136</b>  | <b>7,821</b>                                   | <b>(9,257)</b>        | <b>(125,792)</b>                   |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                       |                                    |
| Equity holder of the Parent Company                               | 18,288                                     | 64,922         | 4,273                                          | (5,057)               | (68,718)                           |
| Non-controlling interests                                         | 15,189                                     | 7,214          | 3,548                                          | (4,200)               | (57,074)                           |
| Dividends declared to non-controlling interests                   | –                                          | (2,500)        | –                                              | –                     | –                                  |
| <b>Summarized cash flow information</b>                           |                                            |                |                                                |                       |                                    |
| Operating activity                                                | 7,648                                      | 90,771         | –                                              | 22,895                | 495,168                            |
| Investing activity                                                | (4,358)                                    | (69,457)       | –                                              | (22,862)              | (540,019)                          |
| Financing activity                                                | (7,147)                                    | (27,500)       | –                                              | (61)                  | 16,742                             |
| <b>Net decrease in cash and cash equivalents</b>                  | <b>(3,858)</b>                             | <b>(4,029)</b> | <b>–</b>                                       | <b>(28)</b>           | <b>(28,109)</b>                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2023 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream<br/>S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>KMG EP</b>    | <b>Rompetrol Vega</b> | <b>Rompetrol<br/>Refinare S.A.</b> |
|-------------------------------------------------------------------|--------------------------------------------|----------------|------------------------------------------------|------------------|-----------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                            |                |                                                |                  |                       |                                    |
| Non-current assets                                                | 123,201                                    | 812,534        | 1,784                                          | 1,190,313        | 22,949                | 123,516                            |
| Current assets                                                    | 216,576                                    | 132,793        | 39,749                                         | 1,546,121        | 11,676                | 76,687                             |
| Non-current liabilities                                           | (66,489)                                   | (216,157)      | (433)                                          | (91,794)         | (42,739)              | (148,648)                          |
| Current liabilities                                               | (124,441)                                  | (112,746)      | (168)                                          | (217,704)        | (47,693)              | (609,932)                          |
| <b>Total equity</b>                                               | <b>148,847</b>                             | <b>616,424</b> | <b>40,932</b>                                  | <b>2,426,936</b> | <b>(55,807)</b>       | <b>(558,377)</b>                   |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 81,312                                     | 557,268        | 22,360                                         | 2,418,721        | (30,487)              | (305,030)                          |
| Non-controlling interests                                         | 67,535                                     | 59,156         | 18,572                                         | 8,215            | (25,320)              | (253,347)                          |
| <b>Summarized statement of comprehensive income</b>               |                                            |                |                                                |                  |                       |                                    |
| Revenue                                                           | 1,012,646                                  | 290,386        | –                                              | 1,184,834        | 108,639               | 1,696,983                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>5,439</b>                               | <b>69,508</b>  | <b>3,125</b>                                   | <b>37,360</b>    | <b>(4,278)</b>        | <b>(98,216)</b>                    |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>2,352</b>                               | <b>70,146</b>  | <b>2,440</b>                                   | <b>34,250</b>    | <b>(3,422)</b>        | <b>(90,054)</b>                    |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 1,285                                      | 63,131         | 1,333                                          | 34,154           | (1,869)               | (49,195)                           |
| Non-controlling interests                                         | 1,067                                      | 7,015          | 1,107                                          | 96               | (1,553)               | (40,859)                           |
| Dividends declared to non-controlling interests                   | –                                          | (1,500)        | –                                              | –                | –                     | –                                  |
| <b>Summarized cash flow information</b>                           |                                            |                |                                                |                  |                       |                                    |
| Operating activity                                                | (44,926)                                   | 87,839         | 5                                              | 144,334          | 2,501                 | (988,089)                          |
| Investing activity                                                | (3,264)                                    | (160,028)      | –                                              | (319,182)        | (2,470)               | (64,948)                           |
| Financing activity                                                | 49,441                                     | 64,418         | –                                              | 55,725           | (31)                  | 1,118,004                          |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       | <b>1,251</b>                               | <b>(8,485)</b> | <b>5</b>                                       | <b>(124,491)</b> | <b>–</b>              | <b>64,967</b>                      |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. BORROWINGS**

| <i>In millions of tenge</i>                       | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|---------------------------------------------------|------------------------------|----------------------|
| Fixed interest rate borrowings                    | <b>3,396,818</b>             | 3,253,754            |
| Weighted average nominal interest rates           | <b>6.25%</b>                 | 5.36%                |
| Floating interest rate borrowings                 | <b>570,583</b>               | 503,340              |
| Weighted average nominal interest rates (Note 34) | <b>8.41%</b>                 | 8.93%                |
|                                                   | <b>3,967,401</b>             | 3,757,094            |

As at December 31, 2024 and 2023, borrowings are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| US dollar                   | <b>2,982,986</b>             | 3,018,895            |
| Tenge                       | <b>937,610</b>               | 700,223              |
| Euro                        | <b>35,601</b>                | 24,850               |
| Other currencies            | <b>11,204</b>                | 13,126               |
|                             | <b>3,967,401</b>             | 3,757,094            |

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|------------------------------|----------------------|
| Current portion             | <b>323,290</b>               | 391,358              |
| Non-current portion         | <b>3,644,111</b>             | 3,365,736            |
|                             | <b>3,967,401</b>             | 3,757,094            |

As at December 31, 2024 and 2023, the bonds comprised:

| <i>In millions of tenge</i> | <b>Issuance<br/>amount</b> | <b>Redemption<br/>date</b> | <b>Effective<br/>Interest Rate</b>          | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-----------------------------|----------------------------|----------------------------|---------------------------------------------|------------------------------|----------------------|
| <b>Bonds</b>                |                            |                            |                                             |                              |                      |
| KASE 2023                   | 70 billion KZT             | 2033                       | 11.74%<br>(0.50% nominal<br>interest rate)  | <b>45,873</b>                | 41,375               |
| KASE 2022                   | 751.6 billion<br>KZT       | 2035                       | 12.105%<br>(9.30% nominal<br>interest rate) | <b>642,749</b>               | 392,158              |
| Bonds LSE 2020              | 750 million USD            | 2033                       | 3.50%                                       | <b>396,299</b>               | 343,005              |
| AIX 2019                    | 150 million USD            | 2024                       | 5.00%                                       | –                            | 19,800               |
| Bonds LSE 2018              | 1.5 billion USD            | 2048                       | 6.375%                                      | <b>778,795</b>               | 673,677              |
| Bonds LSE 2018              | 1.25 billion USD           | 2030                       | 5.375%                                      | <b>653,507</b>               | 569,892              |
| Bonds LSE 2017              | 1.25 billion USD           | 2047                       | 5.75%                                       | <b>639,143</b>               | 552,309              |
| Bonds LSE 2017              | 1 billion USD              | 2027                       | 4.75%                                       | <b>131,604</b>               | 454,062              |
| <b>Total</b>                |                            |                            |                                             | <b>3,287,970</b>             | 3,046,278            |

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within other finance income (Note 15) in these consolidated financial statements in the amount of 59,769 million tenge.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**27. BORROWINGS (continued)**

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 26*).

On September 12, 2024, the Company made a partial early repayment of bonds maturing in 2027 in the amount of 750 million US dollars (equivalent to 358,171 million tenge).

On April 26, 2023, the Company made an early repayment of Eurobonds in the amount of 501 million US dollars (equivalent to 227,520 million tenge), including premium for early repayment and coupon payment with an interest rate of 4.75% and maturity in 2025.

On April 27 and November 22, 2023, the Company placed bonds for 70,000 million tenge at a coupon interest rate of 0.50% per annum and due in 2033. Samruk-Kazyna purchased the bonds. The coupon rate of the bonds is below market rate. The difference between the fair value and nominal amount of bonds of 30,824 million tenge was recognized as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 26*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. BORROWINGS (continued)**

As at December 31, 2024 and 2023, the borrowings comprised:

| <i>In millions of tenge</i>                                                                                                         | <b>Issuance<br/>amount</b>     | <b>Redemption date</b>               | <b>Effective Interest Rate</b>          | <b>December 31,<br/>2024</b> | December 31,<br>2023 |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------|-----------------------------------------|------------------------------|----------------------|
| <b>Loans</b>                                                                                                                        |                                |                                      |                                         |                              |                      |
| The Syndicate of banks (Unicredit Tiriac Bank, ING Bank, BCR, Raiffeisen Bank, Alpha Bank, Garanti Bank, OTP Bank, Intesa Sanpaolo) | 551.8 million USD <sup>1</sup> | 2026                                 | SOFR O/N+2.50%                          |                              |                      |
|                                                                                                                                     |                                |                                      | SOFR 1M+2.750%                          |                              |                      |
|                                                                                                                                     |                                |                                      | SOFR1M+2.50%                            | <b>149,937</b>               | 141,506              |
| Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)                                                                                   | 200 million USD                | 2025                                 | COF <sup>2</sup> (4.33%) + 1.50%        | <b>91,405</b>                | 62,800               |
| Halyk bank JSC (Halyk bank)                                                                                                         | 110 billion KZT                | 2025                                 | 11.00%                                  | <b>64,883</b>                | 94,999               |
| Cargill                                                                                                                             | 100 million USD                | 2026                                 | SOFR 3M+2.80%                           | <b>52,732</b>                | 46,176               |
| Halyk Bank                                                                                                                          | 169 billion KZT                | 2032                                 | Base rate of NBRK + 1.50%               | <b>49,219</b>                | –                    |
|                                                                                                                                     |                                |                                      | 15.20%                                  |                              |                      |
| Development bank of Kazakhstan JSC (DBK)                                                                                            | 79 billion KZT                 | 2026                                 | (7.99% nominal rate)                    | <b>43,892</b>                | 80,992               |
| The European Bank for Reconstruction and Development (EBRD)                                                                         | 61 billion KZT                 | 2028                                 | CPI 6M + 4.00%                          |                              |                      |
|                                                                                                                                     |                                |                                      | CPI + 3.75%                             | <b>37,730</b>                | 11,822               |
| Halyk bank                                                                                                                          | 41.4 billion KZT               | 2032                                 | Key Rate of National Bank of RK + 1.50% | <b>31,157</b>                | 47,391               |
| The Syndicate of banks (BCR, Raiffeisen Bank, OTP, Alpha, Garanti)                                                                  | 83 million EUR                 | 2029                                 | EURIBOR 6M + 3.00%                      | <b>28,471</b>                | 24,844               |
| Eni Isatay                                                                                                                          | –                              | After the start of commercial mining | CME TERM SOFR + 3.00%                   | <b>24,761</b>                | 5,751                |
| The European Development Bank                                                                                                       | 21 billion KZT                 | 2033                                 | Base rate of NBRK – 2.00%               | <b>22,107</b>                | –                    |
| BCP                                                                                                                                 | 170 million USD                | 2025                                 | COF (4.63%) + 2.00%                     | <b>21,181</b>                | 37,893               |
|                                                                                                                                     |                                |                                      | SOFR 1M + 2.50%                         |                              |                      |
| Banca Transilvania                                                                                                                  | 57.96 million EUR              | 2025                                 | ROBOR 1M + 2.00%                        | <b>17,975</b>                | 15,710               |
| OTP Bank                                                                                                                            | 119 million RON                | 2030                                 | ROBOR 3M + 1.10%                        | <b>10,087</b>                | 10,964               |
| ING Bank NV                                                                                                                         | 250 million USD                | 2025                                 | COF (4,55%) + 1.80%                     | <b>7,714</b>                 | 13,839               |
| Halyk bank                                                                                                                          | 41 billion KZT                 | 2024                                 | 17.75 - 18.75%                          | –                            | 31,487               |
| Credit Agricole                                                                                                                     | 150 million USD                | 2024                                 | COF (5.6%) + 2.00%                      | –                            | 26,936               |
| Lukoil Kazakhstan Upstream                                                                                                          | –                              | After the start of commercial mining | O/N SOFR + 2.85%                        | –                            | 47,363               |
| Other                                                                                                                               | –                              | –                                    | –                                       | <b>26,180</b>                | 10,343               |
| <b>Total</b>                                                                                                                        |                                |                                      |                                         | <b>679,431</b>               | 710,816              |

<sup>1</sup> 275.9 million USD with revolving credit facility;

<sup>2</sup> Cost of funding.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**27. BORROWINGS (continued)**

In 2024, KMGI partially repaid a syndicated loan for a total amount of 71.88 million US dollars (equivalent to 33,735 million tenge), including interest.

In 2024, KMGI received a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 35.91million US dollars (equivalent to 16,854 million tenge) at a COF rate of (4.33%) + 1.50% and maturing by the end of 2025 to finance working capital.

In 2024, Atyrau Refinery and Pavlodar partially repaid the loan of DBK for a total amount of 46,688 million tenge, including interest (*Note 33*).

In 2024, Atyrau Refinery received a loan from the EBRD for a total amount of 26,600 million tenge at a rate of CPI + 3.75% and maturing until 2028 to refinance the loan from Halyk Bank.

In 2024, Atyrau Refinery and KTO partially repaid a loan from Halyk Bank totaling 21,000 million tenge, including interest.

In 2024, KMGI repaid a loan from ING Bank in the total amount of 29.21 million US dollars (equivalent to 13,709 million tenge).

In 2024, Kazakh Gas Processing Plant LLP, subsidiary of the Company, received a loan from Halyk Bank for a total amount of 48,246 million tenge at a Base rate of National Bank of RK + 1.50% and maturing by the end of 2032 for the construction of Oil and Gas Refinery plant.

In 2024, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Zhenis project, the Company derecognized the loan received from Lukoil Kazakhstan Upstream (carry-financing) in the amount of 48,432 million tenge (*Note 15*).

In 2023, KMGI received Syndicated loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) used to finance its working capital for the total amount of 307 million US dollars (equivalent to 140,232 million tenge), on a net basis.

In 2023, KMGI partially repaid a Syndicated Loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) in the amount of 73.94 million US dollars (equivalent to 33,734 million tenge), including interest.

In 2023, KMGI received a loan from Bank of Tokyo-Mitsubishi UFJ. Ltd to finance working capital for 101 million US dollars (equivalent to 45,855 million tenge), on a net basis, at the rate of COF (5.37%) + 1.80% per annum and maturity in 2024.

In 2023, KMGI received a loan from BCP to finance working capital for 83 million US dollars (equivalent to 38,031 million tenge), on a net basis, at the rate of COF (5.7481%) + 1.50% per annum and maturity in 2024.

In 2023, Atyrau refinery made full repayment of the loan from VTB Bank (PJSC) for 42,371 million Rubles (equivalent to 213,729 million tenge), including accrued interest.

In 2023, Atyrau refinery partially repaid loans from Halyk Bank for a total amount of 102,674 million tenge, respectively, including interest.

In 2023, Atyrau refinery received a loan from Halyk Bank in the amount of 31,410 million tenge at an interest rate of 17.75-18.75% per annum and maturing in 2024 for the purpose of repayment of current liabilities.

In 2023, Atyrau refinery and Pavlodar refinery partially repaid a loan from the DBK in the total amount of 31,261 million tenge, including interest.

In 2023, based on the notification of the Ministry of Energy of the RK on the termination of the subsoil use contract, the Company derecognized the loan of Eni Isatai B.V. for the Isatai project in the amount of 4,377 million tenge (*Note 15*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. BORROWINGS (continued)**

Changes in liabilities arising from financing activities:

| <i>In millions of tenge</i>        | 2024             |                 |                  |                  | 2023             |                 |           |           |
|------------------------------------|------------------|-----------------|------------------|------------------|------------------|-----------------|-----------|-----------|
|                                    | Short-term loans | Long-term loans | Bonds            | Total            | Short-term loans | Long-term loans | Bonds     | Total     |
| <b>On January 1</b>                | <b>214,457</b>   | <b>496,360</b>  | <b>3,046,277</b> | <b>3,757,094</b> | 173,053          | 699,611         | 3,281,722 | 4,154,386 |
| Received in cash                   | 34,975           | 179,919         | –                | 214,894          | 138,787          | 176,517         | 70,000    | 385,304   |
| Repayment of principal in cash     | (118,862)        | (145,496)       | (383,051)        | (647,409)        | (95,296)         | (329,830)       | (241,106) | (666,232) |
| Interest accrued (Note 15)         | 19,383           | 41,729          | 218,115          | 279,227          | 17,198           | 68,901          | 185,686   | 271,785   |
| Interest paid*                     | (19,422)         | (34,195)        | (192,286)        | (245,903)        | (17,030)         | (63,606)        | (173,836) | (254,472) |
| Effect of loan modification        | –                | –               | 233,519          | 233,519          | –                | –               | –         | –         |
| Effect of initial loan recognition | –                | –               | –                | –                | –                | –               | (30,824)  | (30,824)  |
| Foreign currency translation       | 21,907           | 32,849          | 358,847          | 413,603          | (2,297)          | (2,526)         | (46,152)  | (50,975)  |
| Foreign exchange(gain)/loss        | (897)            | 2,245           | 6,549            | 7,897            | 42               | (53,380)        | (1,520)   | (54,858)  |
| Derecognition of loan (Note 15)    | –                | (48,442)        | –                | (48,442)         | –                | (4,377)         | –         | (4,377)   |
| Other                              | –                | 2,921           | –                | 2,921            | –                | 5,050           | 2,307     | 7,357     |
| <b>On December 31</b>              | <b>151,541</b>   | <b>527,890</b>  | <b>3,287,970</b> | <b>3,967,401</b> | 214,457          | 496,360         | 3,046,277 | 3,757,094 |
| Current portion                    | 151,541          | 122,729         | 49,020           | 323,290          | 214,457          | 125,152         | 51,749    | 391,358   |
| Non-current portion                | –                | 405,161         | 3,238,950        | 3,644,111        | –                | 371,208         | 2,994,528 | 3,365,736 |

\* The repayment of the interest is classified in the consolidated statement of cash flows as operating cash flows.

**Covenants**

The Group is required to comply with financial and non-financial covenants under the terms of all loan agreements. Under the terms of the loan agreements, failure to comply with covenants may result in the repayment of these long-term loans upon demand. As of December 31, 2024 and December 31, 2023, the Group complied with all financial and non-financial covenants.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. BORROWINGS (continued)****Hedge of net investment in the foreign operations**

As at December 31, 2024, certain borrowings denominated in foreign currency were designated as hedge instrument for the net investment in the foreign operations. These borrowings are being used to hedge the Group’s exposure to the US dollar foreign exchange risk on these investments. In 2024, a loss of 358,847 million tenge (2023: gain of 46,152 million tenge) on the translation of these borrowings were transferred to other comprehensive income and offset against translation gains of the net investments in foreign operations.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the US Dollars borrowings. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate borrowings. As at December 31, 2024 and 2023, there was no ineffective portion of the hedge.

**28. LEASE LIABILITIES**

Future minimum lease payments under leases together with the present value of the net minimum lease payments comprised the following:

| <i>In millions of tenge</i>                       | <b>Minimum lease payments</b> |                          | <b>Present value of minimum lease payments</b> |                          |
|---------------------------------------------------|-------------------------------|--------------------------|------------------------------------------------|--------------------------|
|                                                   | <b>December 31, 2024</b>      | <b>December 31, 2023</b> | <b>December 31, 2024</b>                       | <b>December 31, 2023</b> |
| Within one year                                   | <b>26,471</b>                 | 19,767                   | <b>20,882</b>                                  | 17,400                   |
| Two to five years inclusive                       | <b>56,149</b>                 | 49,777                   | <b>29,308</b>                                  | 26,128                   |
| After five years                                  | <b>102,326</b>                | 89,424                   | <b>74,026</b>                                  | 61,752                   |
|                                                   | <b>184,946</b>                | 158,968                  | <b>124,216</b>                                 | 105,280                  |
| Less: amounts representing finance costs          | <b>(60,730)</b>               | (53,688)                 | –                                              | –                        |
| <b>Present value of minimum lease payments</b>    | <b>124,216</b>                | 105,280                  | <b>124,216</b>                                 | 105,280                  |
| Less: amounts due for settlement within 12 months | <b>(26,471)</b>               | (19,767)                 | <b>(20,882)</b>                                | (17,400)                 |
| <b>Amounts due for settlement after 12 months</b> | <b>158,475</b>                | 139,201                  | <b>103,334</b>                                 | 87,880                   |

As at December 31, 2024, interest calculation was based on effective interest rates ranging from 2.95% to 25.29% (December 31, 2023: from 2.95% to 20.65%).

Changes in lease liabilities for the year ended December 31, 2024 and 2023:

| <i>In millions of tenge</i>  | <b>2024</b>     | <b>2023</b> |
|------------------------------|-----------------|-------------|
| <b>On January 1</b>          | <b>105,280</b>  | 81,554      |
| Additions of leases          | <b>23,790</b>   | 55,740      |
| Interest accrued (Note 15)   | <b>8,444</b>    | 7,420       |
| Repayment of principal       | <b>(26,118)</b> | (26,933)    |
| Interest paid                | <b>(1,279)</b>  | (1,936)     |
| Foreign exchange (gain)/loss | <b>(4,611)</b>  | 1,964       |
| Foreign currency translation | <b>14,842</b>   | (1,442)     |
| Modification                 | <b>7,386</b>    | 3,938       |
| Early termination            | <b>(2,661)</b>  | (15,025)    |
| Other                        | <b>(857)</b>    | –           |
| <b>On December 31</b>        | <b>124,216</b>  | 105,280     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****29. PROVISIONS**

| <i>In millions of tenge</i>                                              | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision<br/>for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b> | <b>Total</b> |
|--------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|--------------------------------|--------------|--------------|
| <b>As at December 31, 2022</b>                                           | 128,872                                     | 81,353                                                          | 10,923                         | 48,397       | 269,545      |
| Foreign currency translation                                             | (1,506)                                     | (1,062)                                                         | (44)                           | (333)        | (2,945)      |
| Change in estimate                                                       | 10,019                                      | (1,198)                                                         | –                              | 142          | 8,963        |
| Unwinding of discount (Notes 15)                                         | 10,556                                      | 2,719                                                           | –                              | 123          | 13,398       |
| Provision for the year                                                   | 57,996                                      | 416                                                             | 482                            | 31,608       | 90,502       |
| Business combination (Note 6)                                            | 4,346                                       | –                                                               | –                              | –            | 4,346        |
| Unused amounts reversed (Note 35)                                        | (356)                                       | –                                                               | (4,319)                        | (28,364)     | (33,039)     |
| Use of provision                                                         | (1,222)                                     | (5,167)                                                         | (68)                           | (4,518)      | (10,975)     |
| <b>As at December 31, 2023</b>                                           | 208,705                                     | 77,061                                                          | 6,974                          | 47,055       | 339,795      |
| Foreign currency translation                                             | 11,879                                      | 9,137                                                           | 158                            | 3,002        | 24,176       |
| Change in estimate                                                       | (18,446)                                    | (210)                                                           | –                              | (14)         | (18,670)     |
| Unwinding of discount (Note 15)                                          | 17,082                                      | 1,647                                                           | –                              | 141          | 18,870       |
| Provision for the year                                                   | 4,225                                       | –                                                               | 61                             | 6,601        | 10,887       |
| Transfers and reclassifications to other financial liabilities (Note 35) | –                                           | –                                                               | –                              | (4,742)      | (4,742)      |
| Unused amounts reversed                                                  | (788)                                       | (2,377)                                                         | (4,305)                        | (131)        | (7,601)      |
| Use of provision (Note 26)                                               | (1,465)                                     | (6,139)                                                         | –                              | (27,458)     | (35,062)     |
| <b>As at December 31, 2024</b>                                           | 221,192                                     | 79,119                                                          | 2,888                          | 24,454       | 327,653      |

Detailed description of significant provisions, including critical estimates and judgments used, is included in Note 4.

Current portion and long-term portion are segregated as follows:

| <i>In millions of tenge</i>    | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision<br/>for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b> | <b>Total</b> |
|--------------------------------|---------------------------------------------|-----------------------------------------------------------------|--------------------------------|--------------|--------------|
| Current portion                | 1,440                                       | 1,910                                                           | 2,888                          | 13,286       | 19,524       |
| Long-term portion              | 219,752                                     | 77,209                                                          | –                              | 11,168       | 308,129      |
| <b>As at December 31, 2024</b> | 221,192                                     | 79,119                                                          | 2,888                          | 24,454       | 327,653      |
| Current portion                | 2,847                                       | 3,751                                                           | 6,974                          | 20,004       | 33,576       |
| Long-term portion              | 205,858                                     | 73,310                                                          | –                              | 27,051       | 306,219      |
| <b>As at December 31, 2023</b> | 208,705                                     | 77,061                                                          | 6,974                          | 47,055       | 339,795      |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****30. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES**

| <i>In millions of tenge</i>            | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|----------------------------------------|------------------------------|------------------------------|
| <b>Trade accounts payable</b>          | <b>598,787</b>               | 663,930                      |
| <b>Other financial liabilities</b>     |                              |                              |
| Due to employees                       | 78,950                       | 72,970                       |
| Other trade payables                   | 40,534                       | 42,562                       |
| Derivative financial instruments       | 2,950                        | 114                          |
| Other                                  | 53,812                       | 49,050                       |
|                                        | <b>176,246</b>               | 164,696                      |
| Current portion                        | <b>169,150</b>               | 145,953                      |
| Non-current portion                    | <b>7,096</b>                 | 18,743                       |
|                                        | <b>176,246</b>               | 164,696                      |
| <b>Other non-financial liabilities</b> |                              |                              |
| Contract liabilities                   | 227,046                      | 153,962                      |
| Other                                  | 15,432                       | 15,328                       |
|                                        | <b>242,478</b>               | 169,290                      |
| Current portion                        | <b>206,303</b>               | 131,513                      |
| Non-current portion                    | <b>36,175</b>                | 37,777                       |
|                                        | <b>242,478</b>               | 169,290                      |

As of December 31, 2024, and 2023, trade accounts payable were denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|-----------------------------|------------------------------|------------------------------|
| US dollars                  | 389,492                      | 444,674                      |
| Tenge                       | 137,939                      | 153,016                      |
| Romanian Leu                | 56,388                       | 51,244                       |
| Euro                        | 6,296                        | 8,157                        |
| Other currency              | 8,672                        | 6,839                        |
| <b>Total</b>                | <b>598,787</b>               | 663,930                      |

As at December 31, 2024 and 2023, trade accounts payable and other financial liabilities were not interest bearing.

**31. OTHER TAXES PAYABLE**

| <i>In millions of tenge</i>        | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|------------------------------------|------------------------------|------------------------------|
| VAT                                | 28,394                       | 23,233                       |
| Mineral Extraction Tax             | 15,782                       | 30,485                       |
| Rent tax on crude oil export       | 15,071                       | 37,557                       |
| Social tax                         | 7,436                        | 7,620                        |
| Individual income tax              | 6,042                        | 9,424                        |
| Turnover tax                       | 4,847                        | –                            |
| Excise tax                         | 1,871                        | 1,537                        |
| Withholding tax from non-residents | 59                           | 1,957                        |
| Other                              | 4,129                        | 4,687                        |
|                                    | <b>83,631</b>                | 116,500                      |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. INCOME TAX EXPENSES**

As at December 31, 2024 income taxes prepaid of 41,170 million tenge (2023: 33,051 million tenge) are mainly represented by corporate income tax. As at December 31, 2024 income taxes payable of 15,600 million tenge (2023: 28,285 million tenge) are mainly represented by corporate income tax.

Income tax expense comprised the following for the years ended December 31, 2024 and 2023:

| <i>In millions of tenge</i>                      | <b>2024</b>     | <b>2023 (restated)</b> |
|--------------------------------------------------|-----------------|------------------------|
| <b>Current income tax</b>                        |                 |                        |
| Corporate income tax                             | <b>168,573</b>  | 117,003                |
| Withholding tax on dividends and interest income | <b>81,138</b>   | 86,287                 |
| Alternative mineral extraction tax               | <b>2,628</b>    | –                      |
| Excess profit tax                                | <b>1,149</b>    | 691                    |
| <b>Deferred income tax</b>                       |                 |                        |
| Corporate income tax                             | <b>131,419</b>  | 109,578                |
| Alternative mineral extraction tax               | <b>5,734</b>    | (10,391)               |
| Withholding tax on dividends                     | <b>(27,554)</b> | (33,376)               |
| <b>Income tax expenses</b>                       | <b>363,087</b>  | 269,792                |

A reconciliation of income tax expenses applicable to profit before income tax at the statutory income tax rate (20% in 2024 and 2023) to income tax expenses was as follows for the years ended December 31:

| <i>In millions of tenge</i>                          | <b>2024</b>      | <b>2023 (restated)</b> |
|------------------------------------------------------|------------------|------------------------|
| Profit before income tax                             | <b>1,457,334</b> | 1,196,470              |
| Statutory tax rate                                   | <b>20%</b>       | 20%                    |
| <b>Income tax expense on accounting profit</b>       | <b>291,467</b>   | 239,294                |
| Share in profit of joint ventures and associates     | <b>(60,724)</b>  | (55,703)               |
| Other non-deductible expenses and non-taxable income | <b>28,874</b>    | 44,981                 |
| Effect of different corporate income tax rates       | <b>61,780</b>    | 74,959                 |
| Alternative mineral extraction tax                   | <b>8,362</b>     | (10,391)               |
| Excess profit tax                                    | <b>1,149</b>     | 691                    |
| Change in unrecognized deferred tax assets           | <b>32,179</b>    | (24,039)               |
| <b>Income tax expenses</b>                           | <b>363,087</b>   | 269,792                |

KMG Kashagan B.V. and KMG Karachaganak have a Production Sharing Agreement and a Final Production Sharing Agreement, respectively, that provide for a stabilized tax regime under the 1997 Tax Code, which must be applied throughout the entire abovementioned agreements period. The most significant tax impact of the stabilized tax regime is the application of a 30% corporate income tax rate to taxable profit.

Income tax rates for companies operating in jurisdictions such as the Netherlands, Romania and Switzerland range from 11.89% to 25.8%.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. INCOME TAX EXPENSES (continued)**

Deferred tax balances, calculated by applying the statutory tax rates effective at the respective reporting dates to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the consolidated financial statements, are comprised of the following at December 31:

| <i>In millions of tenge</i>                                    | 2024                    |                                             |                    |                  |                                     | 2023 (restated)         |                                          |                    |                  |                                     |
|----------------------------------------------------------------|-------------------------|---------------------------------------------|--------------------|------------------|-------------------------------------|-------------------------|------------------------------------------|--------------------|------------------|-------------------------------------|
|                                                                | Corporate<br>income tax | Alternative<br>mineral<br>extraction<br>tax | Withholding<br>tax | Total            | Recognized<br>in profit and<br>loss | Corporate<br>income tax | Alternative<br>mineral<br>extraction tax | Withholding<br>tax | Total            | Recognized<br>in profit and<br>loss |
| <b>Deferred tax assets</b>                                     |                         |                                             |                    |                  |                                     |                         |                                          |                    |                  |                                     |
| Property, plant and equipment                                  | 23,894                  | –                                           | –                  | 23,894           | 875                                 | 23,019                  | –                                        | –                  | 23,019           | (934)                               |
| Tax loss carryforward                                          | 608,820                 | –                                           | –                  | 608,820          | (74,465)                            | 683,285                 | –                                        | –                  | 683,285          | (2,191)                             |
| Employee benefits related accruals                             | 5,360                   | –                                           | –                  | 5,360            | (2,268)                             | 7,628                   | –                                        | –                  | 7,628            | 1,004                               |
| Impairment of financial assets                                 | 9,361                   | –                                           | –                  | 9,361            | 1,256                               | 8,105                   | –                                        | –                  | 8,105            | 8,104                               |
| Environmental liability                                        | 2,070                   | –                                           | –                  | 2,070            | (961)                               | 3,031                   | –                                        | –                  | 3,031            | (728)                               |
| Other                                                          | 86,668                  | 4,291                                       | –                  | 90,959           | 59,281                              | 105,081                 | 10,334                                   | –                  | 115,415          | 68,186                              |
| Less: unrecognized deferred tax assets                         | (583,520)               | –                                           | –                  | (583,520)        | (32,179)                            | (551,341)               | –                                        | –                  | (551,341)        | 24,039                              |
| Less: deferred tax assets offset with deferred tax liabilities | (106,239)               | –                                           | –                  | (106,239)        | 117,074                             | (223,313)               | –                                        | –                  | (223,313)        | (35,364)                            |
| <b>Deferred tax assets</b>                                     | <b>46,414</b>           | <b>4,291</b>                                | <b>–</b>           | <b>50,705</b>    | <b>68,613</b>                       | <b>55,495</b>           | <b>10,334</b>                            | <b>–</b>           | <b>65,829</b>    | <b>62,116</b>                       |
| <b>Deferred tax liabilities</b>                                |                         |                                             |                    |                  |                                     |                         |                                          |                    |                  |                                     |
| Property, plant and equipment                                  | 858,119                 | 231                                         | –                  | 858,350          | 88,577                              | 769,233                 | 540                                      | –                  | 769,773          | 204,863                             |
| Undistributed earnings of joint ventures and associates        | –                       | –                                           | 634,427            | 634,427          | (27,554)                            | –                       | –                                        | 571,270            | 571,270          | (33,376)                            |
| Other                                                          | 5,298                   | –                                           | –                  | 5,298            | 115                                 | 5,209                   | –                                        | –                  | 5,209            | (8,196)                             |
| Less: deferred tax assets offset with deferred tax liabilities | (106,239)               | –                                           | –                  | (106,239)        | 117,074                             | (223,313)               | –                                        | –                  | (223,313)        | (35,364)                            |
| <b>Deferred tax liabilities</b>                                | <b>757,178</b>          | <b>231</b>                                  | <b>634,427</b>     | <b>1,391,836</b> | <b>178,212</b>                      | <b>551,129</b>          | <b>540</b>                               | <b>571,270</b>     | <b>1,122,939</b> | <b>127,927</b>                      |
| <b>Net deferred tax liability</b>                              | <b>710,764</b>          | <b>(4,060)</b>                              | <b>634,427</b>     | <b>1,341,131</b> |                                     | <b>495,634</b>          | <b>(9,794)</b>                           | <b>571,270</b>     | <b>1,057,110</b> |                                     |
| <b>Deferred tax expense</b>                                    |                         |                                             |                    |                  | <b>109,599</b>                      |                         |                                          |                    |                  | <b>65,811</b>                       |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. INCOME TAX EXPENSES (continued)**

Deferred corporate income tax and excess profit tax are determined with reference to individual subsoil use contracts. Deferred corporate income tax is also determined for activities outside of the scope of subsoil use contracts. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax asset arising mainly from tax losses carry forward amounted to 583,520 million tenge as at December 31, 2024 (as at December 31, 2023: 551,341 million tenge).

Tax losses carry forward as at December 31, 2024 and 2023 in the RK expire for tax purposes after ten years from the date they are incurred.

The movements in the deferred tax liability/(asset) were as follows:

|                                                                      | 2024                    |                                             |                    |                  | 2023 (restated)         |                                          |                    |           |
|----------------------------------------------------------------------|-------------------------|---------------------------------------------|--------------------|------------------|-------------------------|------------------------------------------|--------------------|-----------|
|                                                                      | Corporate<br>income tax | Alternative<br>mineral<br>extraction<br>tax | Withholding<br>tax | Total            | Corporate<br>income tax | Alternative<br>mineral<br>extraction tax | Withholding<br>tax | Total     |
| <i>In millions of tenge</i>                                          |                         |                                             |                    |                  |                         |                                          |                    |           |
| <b>Net deferred tax liability as at January 1, net</b>               | <b>495,634</b>          | <b>(9,794)</b>                              | <b>571,270</b>     | <b>1,057,110</b> | 341,068                 | 597                                      | 615,747            | 957,412   |
| Foreign currency translation                                         | 83,737                  | –                                           | 90,711             | 174,448          | (4,091)                 | –                                        | (11,101)           | (15,192)  |
| Tax expense/(income) during the year recognized in profit and loss   | 131,419                 | 5,734                                       | (27,554)           | 109,599          | 109,578                 | (10,391)                                 | (33,376)           | 65,811    |
| Tax expense during the year recognized in other comprehensive income | (26)                    | –                                           | –                  | (26)             | 327                     | –                                        | –                  | 327       |
| Business combination (Note 6)                                        | –                       | –                                           | –                  | –                | 48,752                  | –                                        | –                  | 48,752    |
| <b>Net deferred tax liability as at December 31, net</b>             | <b>710,764</b>          | <b>(4,060)</b>                              | <b>634,427</b>     | <b>1,341,131</b> | 495,634                 | (9,794)                                  | 571,270            | 1,057,110 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. RELATED PARTY DISCLOSURES****Terms and conditions of transactions with related parties**

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances at the year-end are mainly unsecured and interest free and settlement occurs in cash, except as indicated below. The Group recognizes allowances for ECL on debt from related parties in accordance with the same principles and policies for ECL applied to determine ECL on debt owed to third parties.

**Transactions balances**

The following table provides the balances of transactions with related parties as at December 31, 2024 and 2023:

| <i>In millions of tenge</i>    | <b>December 31,</b> | <b>Due from related parties*</b> | <b>Due to related parties*</b> | <b>Cash and deposits placed with related parties</b> | <b>Borrowings payable to related parties</b> | <b>Financial assets and loans due from related parties</b> |
|--------------------------------|---------------------|----------------------------------|--------------------------------|------------------------------------------------------|----------------------------------------------|------------------------------------------------------------|
| Samruk-Kazyna entities         | <b>2024</b>         | <b>57,787</b>                    | <b>2,716</b>                   | <b>56,849</b>                                        | <b>688,622</b>                               | <b>54,489</b>                                              |
|                                | 2023                | 43,080                           | 4,392                          | 5,911                                                | 453,333                                      | 50,665                                                     |
| Associates                     | <b>2024</b>         | <b>18,314</b>                    | <b>13,650</b>                  | –                                                    | –                                            | –                                                          |
|                                | 2023                | 8,681                            | 2,962                          | –                                                    | –                                            | –                                                          |
| Other state-controlled parties | <b>2024</b>         | <b>2,611</b>                     | <b>3,407</b>                   | –                                                    | <b>65,999</b>                                | <b>38,329</b>                                              |
|                                | 2023                | 3,188                            | 1,419                          | –                                                    | 80,992                                       | 43,709                                                     |
| Joint ventures                 | <b>2024</b>         | <b>32,014</b>                    | <b>162,787</b>                 | –                                                    | –                                            | <b>106,338</b>                                             |
|                                | 2023                | 68,413                           | 235,725                        | –                                                    | –                                            | 104,706                                                    |

\* The amounts are mainly classified as «Trade accounts receivables» and «Trade accounts payables»

**Due from/to related parties***Samruk-Kazyna entities*

In 2024, the Company sold investment property to Samruk-Kazyna with a carrying value of 13,503 million tenge. According to the terms of the purchase and sale agreement, the sales price was 22,872 million tenge with deferred payment until June 2027. The difference between the sales price, which is the fair value, and the nominal amount of the debt of Samruk-Kazyna in the amount of 8,741 million tenge is reflected in these consolidated financial statements as finance expenses (Note 15).

As at December 31, 2024, due from related parties are mainly represented by the sale of oil products of JSC "NC Kazakhstan Temir Zholy", subsidiary of Samruk-Kazyna, in the amount of 26,027 million tenge (December 31, 2023: 30,793 million tenge).

As at December 31, 2023, payable due to Samruk-Kazyna for exercising the option with a right to buy back 50% of shares of KMG Kashagan B.V. was fully repaid for 364 million US dollars (equivalent to 163,770 million tenge per exchange rate at the date of repayment).

*Joint ventures*

As at December 31, 2024 due to joint ventures were mainly represented by accounts payable for crude oil to TCO for 143,651 million tenge (December 31, 2023: 181,831 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**33. RELATED PARTY DISCLOSURES (continued)****Cash and deposits placed with related parties***Samruk-Kazyna entities*

As at December 31, 2024, the Group has current accounts and time deposits consisting of cash in tenge and dollars on the accounts of Kazpost JSC, subsidiary of Samruk-Kazyna, in the total amount of 56,849 million tenge (December 31, 2023: 5,911 million tenge).

**Borrowings payable to related parties***Samruk-Kazyna entities*

As at December 31, 2024 the borrowings payable to related parties were mainly represented by the bonds placed by the Company in 2022 and acquired by Samruk-Kazyna for 642,749 million tenge (December 31, 2023: 392,158 million tenge) (Note 27).

*Other state-controlled parties*

As at December 31, 2024 the borrowings payable to related parties include loans received from DBK by Atyrau refinery in the amount of 43,892 million tenge (December 31, 2023: loans received from DBK by Atyrau and Pavlodar refineries in the amount of 80,992 million tenge) (Note 27).

**Financial assets and loans due from related parties***Samruk-Kazyna entities*

As at December, 31, 2024 financial assets and loans due from related parties were mainly represented by the bonds receivable from the Samruk-Kazyna of 22,461 million tenge, net of expected credit losses (December 31, 2023: 20,963 million tenge).

*Other state-controlled parties*

During 2024, the Group purchased short-term notes of NB RK in the total amount of 308,147 million tenge with an interest rate of 13.71%, as well as short-term notes of NB RK acquired in 2023 and 2024 in the amount of 302,600 million tenge were redeemed.

During 2023, the Group purchased short-term notes of NB RK in the total amount of 451,598 million tenge with an interest rate of 15.96%, as well as short-term notes of NB RK acquired in 2022 and 2023 in the amount of 425,263 million tenge were redeemed.

*Joint ventures*

As at December, 31, 2024 financial assets and loans due from related parties were mainly represented by loans issued to Ural Group Limited, KALAMKAS-KHAZAR OPERATING LLP and Kazakhstan Petrochemical Industries Inc. LLP for the total amount of 94,732 million tenge (December 31, 2023: 73,990 million tenge).

During 2024, the Group provided loans to related parties in the amount of 67,980 million tenge and received 45,023 million tenge as a loan repayment from related parties (2023: 44,672 million tenge and 35,963 million tenge, respectively).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. RELATED PARTY DISCLOSURES (continued)****Transactions turnover**

The following table provides the total amount of transactions, which have been entered into with related parties during 2024 and 2023:

| <i>In millions of tenge</i>    |             | <b>Sales to<br/>related<br/>parties*</b> | <b>Purchases<br/>from<br/>related<br/>parties*</b> | <b>Interest<br/>earned<br/>from<br/>related<br/>parties</b> | <b>Interest<br/>incurred to<br/>related<br/>parties</b> |
|--------------------------------|-------------|------------------------------------------|----------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------|
| Samruk-Kazyna entities         | <b>2024</b> | <b>169,073</b>                           | <b>90,515</b>                                      | <b>68,847</b>                                               | <b>80,315</b>                                           |
|                                | 2023        | 158,392                                  | 33,705                                             | 4,058                                                       | 39,795                                                  |
| Associates                     | <b>2024</b> | <b>43,888</b>                            | <b>84,599</b>                                      | <b>154</b>                                                  | <b>–</b>                                                |
|                                | 2023        | 12,742                                   | 81,497                                             | 194                                                         | –                                                       |
| Other state-controlled parties | <b>2024</b> | <b>1,329</b>                             | <b>49,934</b>                                      | <b>7,458</b>                                                | <b>10,773</b>                                           |
|                                | 2023        | 346                                      | 31,349                                             | 5,421                                                       | 12,475                                                  |
| Joint ventures                 | <b>2024</b> | <b>410,418</b>                           | <b>1,744,984</b>                                   | <b>13,534</b>                                               | <b>6,324</b>                                            |
|                                | 2023        | 439,502                                  | 1,709,923                                          | 17,540                                                      | –                                                       |

\* The amounts are mainly classified as «Revenue from contracts with customers», «Cost of purchased oil, gas, petroleum products and other materials», «Production expenses», «Transportation and selling expenses» and «General and administrative expenses»

**Sales to related parties / purchases from related parties***Joint ventures*

In 2024, sales to joint ventures were mainly represented by transportation and cargo servicing provided to TCO for 21,138 million tenge (2023: 22,613 million tenge), transportation charges and oil servicing provided to MMG for 67,770 million tenge and for 113,330 million tenge, respectively (2023: 67,755 million tenge and 137,855 million tenge, respectively).

In 2024, purchases from joint ventures were mainly attributable to purchases of crude oil from TCO to perform the oil delivery customer contract for 1,703,581 million tenge (2023: 1,602,095 million tenge).

**Key management employee compensation**

Total compensation to key management personnel (members of the Boards of directors and Management boards of the Group) included in general and administrative expenses in the accompanying consolidated statement of the comprehensive income was equal to 7,568 million tenge and 7,769 million tenge for the years ended December 31, 2024 and 2023, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES**

The Group's principal financial instruments mainly consist of borrowings, loans given, financial guarantees, cash and cash equivalents, bank deposits as well as accounts receivable and accounts payable. The Group is exposed to interest rate risk, foreign currency risk and credit risk. The Group further monitors the market risk and liquidity risk arising from all financial instruments.

**Market risk**

The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency, and securities, all of which are exposed to general and specific market movements. The Group manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing appropriate margin and collateral requirements. The sensitivity analyses in the following sections relate to the position as of December 31, 2024 and 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Market risk (continued)***Foreign currency risk*

As a result of significant borrowings and accounts payable denominated in the US dollars, the Group’s consolidated statement of financial position can be affected significantly by movement in the US dollar/tenge exchange rates. The Group also has transactional currency exposures. Such exposure arises from revenues in the US dollars. The Group has a policy on managing its foreign currency risk in US dollar by matching US dollar denominated financial assets with US dollar denominated financial liabilities. The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group’s profit before income tax (due to changes in the cash flows of monetary assets and liabilities). The sensitivity of possible changes in exchange rates for other currencies are not considered due to its insignificance to the consolidated financial results of Group’s operations.

| <i>In millions of tenge</i> | <b>Increase/<br/>(decrease)<br/>in tenge to<br/>US dollar<br/>exchange rate</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|---------------------------------------------------------------------------------|--------------------------------------------|
| <b>2024</b>                 | <b>+9%</b>                                                                      | <b>(100,651)</b>                           |
|                             | <b>(7%)</b>                                                                     | <b>81,317</b>                              |
| <b>2023</b>                 | <b>+14%</b>                                                                     | <b>(224,731)</b>                           |
|                             | <b>(14%)</b>                                                                    | <b>224,731</b>                             |

*Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s long-term borrowings with floating interest rates. The Group’s policy is to manage its interest rate cost using a mix of fixed and variable rate borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group’s profit before income tax (through the impact on floating rate borrowings). There is no significant impact on the Group’s equity.

| <i>In millions of tenge</i> | <b>Increase/<br/>decrease<br/>in basis points</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|---------------------------------------------------|--------------------------------------------|
| <b>2024</b>                 | <b>+4.50</b>                                      | <b>(25,680)</b>                            |
| SOFR                        | <b>+0.39</b>                                      | <b>(2,226)</b>                             |
| <b>2023</b>                 |                                                   |                                            |
| SOFR                        | +3.97                                             | (19,982)                                   |
|                             | -3.97                                             | 19,982                                     |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Credit risk**

The Group trades only with recognized, creditworthy parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group’s exposure to bad debts is not significant. The maximum exposure is the carrying amount as disclosed in *Note 23*. There are no significant concentrations of credit risk within the Group.

With respect to credit risks arising on other financial assets of the Group, which comprise cash and cash equivalents, bank deposits, loans and receivables from related parties and other financial assets, the Group’s exposure to credit risks arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The table below shows the risk profile of the Group’s cash and cash equivalents, short-term and long-term deposits held in banks as at December 31, 2024 and 2023 using the Fitch credit ratings, or in their absence, using their equivalent rates in S&P and Moody’s:

|              | As at December 31 |      |
|--------------|-------------------|------|
|              | 2024              | 2023 |
| AA- to A+    | 18%               | 19%  |
| A to A-      | 65%               | 58%  |
| BBB+ to BBB- | 11%               | 18%  |
| BB+ to BB-   | 6%                | 5%   |
| B+ to B-     | –                 | –    |

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The table below summarizes the maturity profile of the Group’s financial liabilities as at December 31, 2024 and 2023 based on contractual undiscounted payments.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Liquidity risk (continued)**

| <i>In millions of tenge</i>    | Due less than one month | Due later than one month but not later than three months | Due later than three months but not later than one year | Due later than one year but not later than five years | Due after 5 years* | Total            |
|--------------------------------|-------------------------|----------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|--------------------|------------------|
| <b>As at December 31, 2024</b> |                         |                                                          |                                                         |                                                       |                    |                  |
| Borrowings*                    | 8,311                   | 4,279                                                    | 508,247                                                 | 1,760,405                                             | 5,449,825          | 7,731,067        |
| Trade accounts payable         | 208,205                 | 226,758                                                  | 163,824                                                 | –                                                     | –                  | 598,787          |
| Financial guarantees**         | –                       | 59                                                       | 32,269                                                  | 14,991                                                | –                  | 47,319           |
| Lease liabilities              | 2,788                   | 4,488                                                    | 19,195                                                  | 56,149                                                | 102,326            | 184,946          |
| Other financial liabilities    | 63,206                  | 44,567                                                   | 77,932                                                  | 8,990                                                 | –                  | 194,695          |
|                                | <b>282,510</b>          | <b>280,151</b>                                           | <b>801,467</b>                                          | <b>1,840,535</b>                                      | <b>5,552,151</b>   | <b>8,756,814</b> |
| <b>As at December 31, 2023</b> |                         |                                                          |                                                         |                                                       |                    |                  |
| Borrowings*                    | 38,896                  | 1,329                                                    | 503,846                                                 | 1,413,755                                             | 4,738,778          | 6,696,604        |
| Trade accounts payable         | 122,306                 | 340,634                                                  | 200,991                                                 | –                                                     | –                  | 663,931          |
| Financial guarantees**         | –                       | 64                                                       | –                                                       | 46,555                                                | –                  | 46,619           |
| Lease liabilities              | 2,124                   | 1,964                                                    | 15,679                                                  | 49,777                                                | 89,424             | 158,968          |
| Other financial liabilities    | 71,323                  | 24,605                                                   | 69,792                                                  | 20,067                                                | –                  | 185,787          |
|                                | <b>234,649</b>          | <b>368,596</b>                                           | <b>790,308</b>                                          | <b>1,530,154</b>                                      | <b>4,828,202</b>   | <b>7,751,909</b> |

\* The Group excludes from the maturity profile table the borrowings payable to project partners under the carry-in financing agreements, due to the uncertainty of maturity of these loans. As of December 31, 2024, the borrowings due to partners were 31,926 million tenge (December 31, 2023: 57,656 million tenge).

\*\* The Group includes financial guarantees to the maturity profile table, however, the cash outflow in relation to financial guarantees is subject to certain conditions. Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. In 2024 and 2023 there was no significant instances of financial guarantees execution.

**Capital management**

The primary objective of the Group’s capital management is to maximise the shareholder value. The Group manages its capital to ensure that Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company seeks to maintain a prudent capital structure to support its capital investment plans and maintain investment grade credit rating through the cycle. Maintaining sufficient financial flexibility is considered strategically important to mitigate industry cyclicalities while also enabling the pursuit of organic and inorganic investment opportunities. The Company has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt incurrence.

For the purpose of the Group’s capital management, the capital structure of the Group consists of borrowings (Note 27) less cash (Note 25) and short-term deposits (Note 20) and equity, comprising share capital, additional paid-in capital, other reserves and retained earnings (Note 26).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)**

The Group’s management regularly reviews the capital structure. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Also to achieve this overall objective, the Group’s capital management, among other things, aims to ensure that it meets financial covenants attached to borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any borrowing in the years ended December 31, 2024 and 2023 (*Note 27*).

| <i>In millions of tenge</i>                               | <b>December 31,<br/>2024</b> | December 31,<br>2023<br>(restated) |
|-----------------------------------------------------------|------------------------------|------------------------------------|
| Borrowings                                                | <b>3,967,401</b>             | 3,757,094                          |
| less: cash, cash equivalents and short-term bank deposits | <b>2,730,267</b>             | 2,047,885                          |
| <b>Net debt</b>                                           | <b>1,237,134</b>             | 1,709,109                          |
| Equity                                                    | <b>11,924,284</b>            | 10,396,614                         |
| <b>Capital and net debt</b>                               | <b>13,161,418</b>            | 12,105,823                         |

No changes were made in the overall strategy, objectives, policies or processes for managing capital during the years ended December 31, 2024 and 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments**

The carrying amount of the Group financial instruments as at December 31, 2024 and 2023 are reasonable approximation of their fair value, except for the financial instruments disclosed below:

| <i>In millions of tenge</i>                                                          | December 31, 2024 |            |                                   |         |         | December 31, 2023 |            |                                   |         |         |
|--------------------------------------------------------------------------------------|-------------------|------------|-----------------------------------|---------|---------|-------------------|------------|-----------------------------------|---------|---------|
|                                                                                      | Carrying amount   | Fair value | Fair value by level of assessment |         |         | Carrying amount   | Fair value | Fair value by level of assessment |         |         |
|                                                                                      |                   |            | Level 1                           | Level 2 | Level 3 |                   |            | Level 1                           | Level 2 | Level 3 |
| Bonds receivable from Samruk-Kazyna                                                  | 32,479            | 27,650     | –                                 | 27,650  | –       | 20,963            | 16,797     | –                                 | 16,797  | –       |
| NB RK notes                                                                          | 38,329            | 38,329     | –                                 | 38,329  | –       | 43,708            | 43,708     | –                                 | 43,708  | –       |
| Loans and receivables due from related parties at fair value through profit and loss | 93,743            | 93,743     | –                                 | –       | 93,743  | 99,901            | 99,901     | –                                 | –       | 99,901  |
| Loans given to related parties at amortized cost                                     | 34,445            | 36,700     | –                                 | 21,838  | 14,862  | 48,299            | 48,502     | –                                 | –       | 48,502  |
| Fixed interest rate borrowings                                                       | 3,396,818         | 3,238,502  | 2,406,715                         | 831,787 | –       | 3,253,754         | 3,051,997  | 2,452,370                         | 599,627 | –       |
| Floating interest rate borrowings                                                    | 570,583           | 570,656    | –                                 | 570,656 | –       | 503,340           | 503,340    | –                                 | 503,340 | –       |

The fair value of bonds receivable from the Samruk-Kazyna and other debt instruments have been calculated by discounting the expected future cash flows at market interest rates.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments (continued)**

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy are shown below:

|                                                  | Valuation technique         | Significant unobservable inputs | Range as of December 31, |            |
|--------------------------------------------------|-----------------------------|---------------------------------|--------------------------|------------|
|                                                  |                             |                                 | 2024                     | 2023       |
| Loans given to related parties at amortized cost | Discounted cash flow method | Interest and discount rate      | 12.20-17.90%             | 7.30-18.5% |
| Financial guarantee issued                       |                             |                                 | 7.6%                     | 7.8%       |

**35. CONTINGENT LIABILITIES AND COMMITMENTS****Operating environment**

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

**Commodity price risk**

The Group generates most of its revenue from the sale of commodities, primarily crude oil and oil products. Historically, the prices of these products have been volatile and have fluctuated widely in response to changes in supply and demand, market uncertainty, the performance of the global or regional economies and cyclicalities in industries. Prices may also be affected by the Government actions, including the imposition of tariffs and import duties, speculative trades, an increase in capacity or oversupply of the Group's products in its main markets. These external factors and the volatility of the commodity markets make it difficult to estimate future prices. A substantial or extended decline in commodity prices would materially and adversely affect the Group's business and the consolidated financial results and cash flows of operations. The Group mainly does not hedge its exposure to the risk of fluctuations in the price of its products.

**Taxation**

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of the Republic of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.

Management believes that as at December 31, 2024 its interpretation of the relevant legislation is appropriate and that it is probable that the Group's tax positions will be sustained, except as provided for or otherwise disclosed in these consolidated financial statements.

**Transfer pricing control**

Transfer pricing control in Kazakhstan has a very wide scope and applies to many transactions that directly or indirectly relate to international business regardless of whether the transaction participants are related or not. *The transfer pricing legislation* requires that all taxes applicable to a transaction should be calculated based on market price determined in accordance with the arm's length principle. The law on transfer pricing came into force in Kazakhstan from January 1, 2009. The law is not explicit and there is little precedence with some of its provisions. Moreover, the law is not supported by detailed guidance for application of transfer pricing control to various types, as a result, there is a risk that the tax authorities may take a position that differs from the Group's position, which could result in additional taxes, fines and interest. As at December 31, 2024 management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group's positions with regard to transfer pricing will be sustained.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**35. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Comprehensive tax audit at oil refineries of the Group**

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and PKOP were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and reduction in tax carry-forward losses for 119,871 million tenge.

Atyrau refinery, Pavlodar refinery and PKOP did not agree with the assessment and appealed to the Ministry of Finance of RK. The refineries' appeals are under consideration by the Ministry of Finance of the RK.

PKOP partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3,694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of PKOP made on November 15, 2021 by the Civil Chamber of the Shymkent City Court.

During 2024, PKOP took measures to appeal the decision of the Judicial Collegium for Civil Cases of the Supreme Court to the Prosecutor General's Office of the Republic of Kazakhstan. However, due to the lack of procedural opportunity, consideration of the petitions was refused. Accordingly, PKOP recognized a provision and paid tax and fine in the amount of 3,694 million tenge. However, the Group continues to work to appeal the decision.

The potential amount of additional value added tax (VAT) assessments for the period from 2020 to 2024 is calculated by applying the VAT rate of 12% to the amount of excise tax reimbursed by the toller, excluding potential fines and penalties as stipulated in accordance with the Administrative Code of the Republic of Kazakhstan.

The excise tax amount is determined by applying the excise tax rate per ton, established by Government Resolution of the Republic of Kazakhstan (hereinafter referred to as "GRRK") No. 173 dated April 6, 2018 (as amended by GRRK No. 841 dated November 25, 2021, and GRRK No. 155 dated March 24, 2022) to the volume of petroleum products (gasoline and diesel fuel) transferred to tollers annually. The total volume of petroleum products transferred to tollers from 2020 to 2024 amounted to 28,788 thousand tons, including 14,352 thousand tons of gasoline and 14,436 thousand tons of diesel fuel. Additionally, from January 1, 2022, to April 4, 2022 (before the amendments introduced by GRRK No. 155 dated March 24, 2022, took effect on April 5, 2022), the volume of transferred petroleum products amounted to 978 thousand tons of gasoline and 1,030 thousand tons of diesel fuel.

**Legal issues and claims****The civil litigation at KMGI**

Faber Invest & Trade Inc. (further Faber), the non-controlling shareholder of KMGI subsidiaries, resumed several previous civil filings in 2020, one of which challenged the increase in the Rompetrol Rafinare Constanta, the KMGI subsidiary, share capital in 2003-2005. The hearings have been held periodically. As of December 31, 2024, all Faber claims were dismissed and the case was closed.

**Civil legal dispute between the National Mineral Resources Agency (NAMR) and Oilfield Exploration Business Solutions S.A (OEBS), subsidiary of KMGI, at the Focsani field**

On December 17, 2019 OEBS has been noticed by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On July 29, 2022 the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total NAMR claim of 20 million U.S. dollars. In 2022, the Group recognized a provision in the amount of 10.1 million dollars (equivalent to 4,673 million tenge).

On May 23, 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay 10.1 million U.S. dollars. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS was authorized to make the payment as follows: 30% of the liabilities will be paid by NAMR, while 70% will be paid in accordance with the debt Restructuring Plan with the Romanian tax authorities.

As of December 31, 2024, OEBS paid 30% directly to NAMR the remaining 70% was included in the restructuring plan and will be paid until 2026. The Group also reclassified the previously recognized provision into other financial liabilities (*Note 29 and 30*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**35. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022. RPM has filed an appeal and a first hearing is scheduled for March 21, 2023. In 2022, the Group recognized a provision in the amount of 12 million dollars (equivalent to 5,552 million tenge). During 2023, RPM filed in an appeal and the first hearing was scheduled for October 4, 2023, however, the court rejected the appeal. The second appeal was filed in on January 24, 2024. The first hearing was scheduled for October 16, 2024. However, on July 3, 2024, the SCM announced that RPM was found guilty. On August 1, 2024, RPM filed an appeal against the fine and requested a deferment of payment pending the resolution of the underlying case. On August 26, 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The CCM filed in an appeal and on December 9, 2024 the Court rejected the appeal of CCM regarding the suspension of payment until a final court decision on this dispute.

**The case of arbitration between KazRosGas LLP, a joint venture of the company, (further KRG) and Karachaganak Petroleum Operating B.V. (further KPO)**

On August 23, 2022, the Secretariat of the International Chamber of Commerce in Paris submitted to KRG a Notice of Initiation of Arbitration Proceedings by KPO, which is the operator under the Final Production Sharing Agreement for the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, with amendments and additions (further FPSA). KPO intends to increase the gas sale price under the existing Karachaganak Gas Purchase and Sale Agreement. If the gas price is agreed later than October 1, 2022, KRG and KPO shall recalculate the gas price for the period from October 1, 2022 to the date of the price agreement.

In October 2022, a working group was established to develop a negotiating position of the Kazakh side on the peaceful settlement of the dispute over the arbitration process between the KRG and KPO, chaired by the First Vice Minister of Energy of RK. The working group also includes representatives of the Ministry of Energy of RK, JSC "NC "QazaqGaz", KMG and KRG.

In August 2023, the Tribunal approved the Procedural Timetable for the Arbitration (further Arbitration Timetable), according to which the final hearing is scheduled for the week of November 18, 2024, and the deadline for the Tribunal to make decision is until the end of March 2025.

In January 2024, a meeting was held between the Ministry of Energy of the Republic of Kazakhstan, KPO, KMG and the KRG to peacefully resolve the dispute. From 18 to 22 November 2024, an evidentiary hearing of the Tribunal was held, at which the parties and experts presented their final positions on the merits of the dispute to the Tribunal, and barristers, together with the Tribunal, cross-examined the experts. On 1 January 2025, legal representatives of both Parties notified the Tribunal and the Secretariat of the conclusion of an agreement on the settlement of the dispute and the termination of the arbitration proceedings. As a result, the price formula remains the same.

**The case of an administrative offense of the Pavlodar refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Pavlodar region**

In 2022 the Prosecutor's Office of the Pavlodar region together with the Antimonopoly agency conducted an inspection of the Pavlodar refinery operations for compliance with the legislation of the RK in the field of oil and petroleum products turnover, labor, tax and antimonopoly legislation for 2020-2021. On March 16, 2022 Antimonopoly agency issued the Conclusion which stated that Pavlodar refinery set monopolistically high tariff for oil refining services. On July 25, 2022, Antimonopoly agency of the Pavlodar region initiated an administrative offence and issued a Protocol to the Specialized Court for Administrative Offenses of Pavlodar city for setting by the Pavlodar refinery monopolistically high tariff for oil refining services in 2021 and to confiscate revenue for 2021 of 21,961 million tenge and impose fine of 6,226 million tenge.

On June 9, 2023, Specialized Court for Administrative Offenses of Pavlodar city issued a resolution to terminate administrative proceedings. On June 30, 2023, Decree on the consumption of administrative proceedings and the cancellation of the protocol entered into legal force. As a result, as at December 31, 2023, administrative proceedings were closed, and Pavlodar refinery reversed a provision accrued in 2022 in the amount of 28,187 million tenge and recognized in other operating income (*Note 29*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**35. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Environmental issues**

In 2021, a new Environmental Code came into force, which increases the responsibility of industrial enterprises for environmental pollution, and also provides for the introduction of a waste management hierarchy and the construction of waste energy recycling plants. According to the Environmental Code, facilities belonging to category I after the cessation of operation of facilities that have a negative impact on the environment must eliminate the consequences of the operation of such facilities and provide the authorized body in the field of environmental protection with financial security for obligations related to the elimination of the consequences of the activity within three years, starting July 1, 2029. In accordance with the Environmental Code of the Republic of Kazakhstan, the Company has legal obligations to dismantle and liquidate fixed assets and restore land plots. As of December 31, 2024, the carrying amount of the reserve for the largest oil refineries of the Group: Atyrau and Pavlodar Refineries amounted to 41,778 million tenge (as of December 31, 2023: 39,271 million tenge) (*Note 29*), which is equal to the present value of future cash outflows associated with the dismantling of the plant and land reclamation. For tax purposes, the Company did not take into an account these expected expenses as part of deferred taxes, since it does not expect taxable profit after the liquidation of assets.

**Environmental audits**

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (further Operator). Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tons. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order. On June 14, 2023, the Specialized Inter-District Administrative Court of the city of Astana ruled in favor of the Operator regarding the placement of sulphur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court the city of Astana annulled this decision. The dispute is now pending before the Supreme Court of the Republic of Kazakhstan. Should the Operator be held accountable as per the administrative ruling, the fine amount will be determined in line with the Administrative Code of the Republic of Kazakhstan. As at December 31, 2024, the Group did not recognize provisions for this case.

**Cost recovery audits**

KMG Kashagan B.V. has a share of 16.88% in the North Caspian Production Sharing Agreement dated November 18, 1997, as amended (further PSA).

KMG Karachaganak LLP, subsidiary of the Company, has a share of 10% in the Final Production Sharing Agreement in respect of the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, as amended (further FPSA).

Under the base principles of the PSA and FPSA, the RK transferred to the participants of these agreements (further Contractors) the exclusive rights to conduct activities in the subsurface areas, but did not transfer neither ownership rights, nor lease rights to these areas. Thus, all extracted and processed oil (i.e. the hydrocarbons produced) are the property of the RK.

Subsoil use operations are carried out on the basis of reimbursement of certain expenditures and the RK reimburses such expenditures to Contractors not in cash but in the form of the portion of oil production, thereby allowing Contractors to recover their expenditures (further Recoverable Costs) and earn profit.

PSA and FPSA provides for a procedure of expense reimbursement and determine the list of expenses that are not Recoverable Costs.

PSA LLP conducts audits of Recoverable Costs as an organization authorized to act on behalf of the RK within the framework of the PSA and FPSA (further the Authorized Body).

The RK and the Contractors under the PSA and FPSA (except for KMG Kashagan B.V. and KMG Karachaganak LLP) have a number of disputes concerning the application of certain PSA and FPSA provisions, which have been referred to arbitration under the PSA and FPSA.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Kazakhstan local market obligation**

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue (not less than cost of production) than crude oil sold on the export market, which may materially and adversely affect the Group’s business, prospects, consolidated financial position and performance.

In 2024, in accordance with its obligations, the Group delivered to the Kazakhstan market 8,146 thousand tons of crude oil, including its share in the joint ventures and associates in the total volume of 2,880 thousand tons (2023: 7,541 thousand tons, including its share in the joint ventures and associates of 2,560 thousand tons).

**Commitments under subsoil use contracts**

As at December 31, 2024, the Group had the following commitment (net of VAT) related to minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

|                             | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <i>In millions of tenge</i> |                                                                      |                                                              |                                                                      |                                                              |
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2025                        | 360,885                                                              | 33,962                                                       | 83,986                                                               | 57,911                                                       |
| 2026                        | 229,843                                                              | 14,581                                                       | 52,601                                                               | 12,821                                                       |
| 2027                        | 144,476                                                              | 10,771                                                       | 19,501                                                               | 13,309                                                       |
| 2028                        | 152,571                                                              | 10,794                                                       | 19,958                                                               | 13,946                                                       |
| 2029-2049                   | 175,134                                                              | 9,334                                                        | 42,089                                                               | 14,544                                                       |
| <b>Total</b>                | <b>1,062,909</b>                                                     | <b>79,442</b>                                                | <b>218,135</b>                                                       | <b>112,531</b>                                               |

As at December 31, 2023 commitments (net of VAT) under subsoil use contracts included:

|                             | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenses, including joint ventures and associates</b> | <b>Operational expenses of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| <i>In millions of tenge</i> |                                                                      |                                                              |                                                                      |                                                              |
| <b>Year</b>                 |                                                                      |                                                              |                                                                      |                                                              |
| 2024                        | 342,291                                                              | 25,633                                                       | 76,014                                                               | 69,296                                                       |
| 2025                        | 262,118                                                              | 7,690                                                        | 22,549                                                               | 11,650                                                       |
| 2026                        | 285,609                                                              | 10,933                                                       | 20,392                                                               | 12,330                                                       |
| 2027                        | 352,313                                                              | 6,344                                                        | 18,876                                                               | 13,026                                                       |
| 2028-2048                   | 340,207                                                              | 7,316                                                        | 41,345                                                               | 13,568                                                       |
| <b>Total</b>                | <b>1,582,538</b>                                                     | <b>57,916</b>                                                | <b>179,176</b>                                                       | <b>119,870</b>                                               |

**Oil supply commitments**

As of December 31, 2024, KMG Kashagan B.V. had commitments under the oil supply agreements in the total amount of 2.4 million tons (December 31, 2023: 3.0 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Other contractual commitments**

As at December 31, 2024, the Group, had other capital commitments related to acquisition and construction of long-term assets of approximately 136,221 million tenge, net of VAT, including its share in joint ventures commitments of 17,862 (as at December 31, 2023: 166,049 million tenge, net of VAT, including its share in joint ventures commitments of 15,465 million tenge).

As at December 31, 2024, the Group had commitments in the total amount of 58,483 million tenge (as at December 31, 2023: 93,919 million tenge) under the investment programs approved by the joint order of Ministry of Energy of RK and *Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of RK* to facilitate production units.

**Non-financial guarantees**

As of December 31, 2024 and 2023, the Group has outstanding performance guarantees issued in favour of third parties whereas it provides guarantee should its joint venture or associate fail to perform their obligations under the natural gas purchase-sale, transportation and other agreements.

As of December 31, 2024 and 2023, the management of the Group believes that there were no expected cases of non-performance from the guaranteed parties and, accordingly, no obligations related to the above stated non-financial contingencies were recognized.

**36. SEGMENT REPORTING**

The Group’s operating segments have their own structure and management according to the type of the produced goods and services provided. Moreover, all segments are strategic directions of the business which offer different types of the goods and services in different markets. The functions have been defined as the operating segments of the Group because they are segments a) that engages in business activities from which revenues are generated and expenses incurred; b) whose operating results are regularly reviewed by the Group’s chief operating decision makers to make decisions.

The Group’s activity consists of three main operating segments: exploration and production of oil and gas, oil transportation, and refining and trading of crude oil and refined products. The Group presents the Company’s activities separately in Corporate segment, since the Company performs not only the functions of the parent company, but also carries out operational activities. The remaining operating segments have been aggregated and presented as other operating segment due to their insignificance.

Disaggregation of revenue by types of goods and services is presented in *Note 7* to the consolidated financial statements.

As at December 31, 2024 and 2023 disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

|                                  | December 31, 2024                         |                    |                                                        |                |                |                  |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
|                                  | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          | Total            |
| <i>In millions of tenge</i>      |                                           |                    |                                                        |                |                |                  |
| Sales of crude oil and gas       | 767,376                                   | –                  | 3,927,847                                              | –              | –              | 4,695,223        |
| Sales of refined products        | 4,999                                     | –                  | 1,805,243                                              | 871,374        | 16,196         | 2,697,812        |
| Refining of oil and oil products | –                                         | –                  | 258,530                                                | –              | –              | 258,530          |
| Oil transportation services      | –                                         | 237,475            | 1,595                                                  | 1,466          | 192            | 240,728          |
| Other revenue                    | 26,573                                    | 55,342             | 164,607                                                | 1,845          | 189,601        | 437,968          |
| <b>Total</b>                     | <b>798,948</b>                            | <b>292,817</b>     | <b>6,157,822</b>                                       | <b>874,685</b> | <b>205,989</b> | <b>8,330,261</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****36. SEGMENT REPORTING (continued)**

| <i>In millions of tenge</i>      | December 31, 2023                         |                    |                                                        |                |                | Total            |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
|                                  | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          |                  |
| Sales of crude oil and gas       | 887,301                                   | –                  | 3,740,824                                              | –              | –              | 4,628,125        |
| Sales of refined products        | 4,948                                     | –                  | 2,008,452                                              | 823,828        | 11,693         | 2,848,921        |
| Refining of oil and oil products | –                                         | –                  | 248,058                                                | –              | –              | 248,058          |
| Oil transportation services      | –                                         | 218,890            | 1,892                                                  | 5,172          | 188            | 226,142          |
| Other revenue                    | 17,519                                    | 48,112             | 145,168                                                | 1,668          | 155,830        | 368,297          |
| <b>Total</b>                     | <b>909,768</b>                            | <b>267,002</b>     | <b>6,144,394</b>                                       | <b>830,668</b> | <b>167,711</b> | <b>8,319,543</b> |

Segment performance is evaluated based on revenues, net profit and adjusted EBITDA, which are measure on the same basis as in the consolidated financial statements.

EBITDA is a supplemental non-IFRS financial measure used by management to evaluate segments performance, and is defined as earnings before depreciation, depletion and amortization, impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and assets classified as held for sale, exploration expenses, impairments of joint ventures and associates, finance income and expense, income tax expenses.

EBITDA, % is calculated as EBITDA of each reporting segment divided by the total EBITDA.

Eliminations and adjustments represent the exclusion of intra-group turnovers. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily comply with market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

**Geographic information**

The Group’s property, plant and equipment (*Note 16*) are located in the following countries:

| <i>In millions of tenge</i> | 2024             | 2023<br>(restated) |
|-----------------------------|------------------|--------------------|
| Kazakhstan                  | 7,155,527        | 6,617,819          |
| Other countries             | 678,633          | 553,423            |
|                             | <b>7,834,160</b> | <b>7,171,242</b>   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****36. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2024 and assets and liabilities as at December 31, 2024 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                                 | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and<br>trading of crude oil<br>and refined<br>products | Corporate        | Other          | Eliminations and<br>adjustments | Total             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|-----------------------------------------------------------------|------------------|----------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                                   | 798,948                                         | 292,817               | 6,157,822                                                       | 874,685          | 205,989        | –                               | 8,330,261         |
| Revenues from sales to other segments                                                                                                                                                                                       | 1,687,114                                       | 156,087               | 197,018                                                         | 104,826          | 186,154        | (2,331,199)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                                        | <b>2,486,062</b>                                | <b>448,904</b>        | <b>6,354,840</b>                                                | <b>979,511</b>   | <b>392,143</b> | <b>(2,331,199)</b>              | <b>8,330,261</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                          | (53,766)                                        | (20,815)              | (5,447,383)                                                     | (553,840)        | (63,400)       | 1,792,193                       | (4,347,011)       |
| Production expenses                                                                                                                                                                                                         | (639,251)                                       | (254,754)             | (387,897)                                                       | (236,265)        | (299,386)      | 418,949                         | (1,398,604)       |
| Taxes other than income tax                                                                                                                                                                                                 | (397,851)                                       | (21,315)              | (33,173)                                                        | (128,808)        | (11,837)       | –                               | (592,984)         |
| Transportation and selling expenses                                                                                                                                                                                         | (210,806)                                       | (19,094)              | (108,751)                                                       | (13,041)         | –              | 83,868                          | (267,824)         |
| General and administrative expenses                                                                                                                                                                                         | (52,639)                                        | (17,651)              | (61,045)                                                        | (113,171)        | (27,673)       | 18,031                          | (254,148)         |
| Share in profit of joint ventures and associates, net                                                                                                                                                                       | 359,311                                         | 104,204               | 55,150                                                          | –                | 12,565         | –                               | 531,230           |
| <b>EBITDA</b>                                                                                                                                                                                                               | <b>1,491,060</b>                                | <b>219,479</b>        | <b>371,741</b>                                                  | <b>(65,614)</b>  | <b>2,412</b>   | <b>(18,158)</b>                 | <b>2,000,920</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                            | <b>74%</b>                                      | <b>11%</b>            | <b>19%</b>                                                      | <b>(3%)</b>      | <b>–</b>       | <b>(1%)</b>                     |                   |
| Depreciation, depletion and amortization                                                                                                                                                                                    | (453,254)                                       | (44,489)              | (130,315)                                                       | (3,346)          | (11,262)       | –                               | (642,666)         |
| Interest revenue calculated using the effective interest method                                                                                                                                                             | 27,165                                          | 11,553                | 40,522                                                          | 208,689          | 14,247         | (117,784)                       | 184,392           |
| Other finance income                                                                                                                                                                                                        | 2,451                                           | 1,088                 | 225                                                             | 113,374          | 6,152          | –                               | 123,290           |
| Finance costs                                                                                                                                                                                                               | (45,579)                                        | (19,788)              | (109,221)                                                       | (237,334)        | (12,421)       | 78,247                          | (346,096)         |
| (Impairment)/reversal of impairment of property, plant and equipment,<br>intangible assets, non-current advances for fixed assets and<br>exploration expenses                                                               | (57,100)                                        | (2,475)               | (4,064)                                                         | (40,678)         | 11,609         | 22,975                          | (69,733)          |
| Gain from disposal of subsidiary                                                                                                                                                                                            | –                                               | –                     | –                                                               | 16,410           | –              | –                               | 16,410            |
| Foreign exchange gain, net                                                                                                                                                                                                  | 20,602                                          | 1,799                 | 2,922                                                           | 160,363          | 651            | (878)                           | 185,459           |
| Excepted credit losses                                                                                                                                                                                                      | (16,787)                                        | (782)                 | 3,210                                                           | (458)            | (260)          | 6,761                           | (8,316)           |
| Other operating income                                                                                                                                                                                                      | 11,431                                          | 5,350                 | 4,451                                                           | 26,492           | 7,993          | (3,340)                         | 52,377            |
| Other expenses                                                                                                                                                                                                              | 37,483                                          | (2,079)               | (3,884)                                                         | (6,017)          | (12,404)       | (51,802)                        | (38,703)          |
| Income tax expenses                                                                                                                                                                                                         | (220,400)                                       | (9,426)               | (38,129)                                                        | (90,576)         | (4,556)        | –                               | (363,087)         |
| <b>Profit/(loss) for the year from continuing operations</b>                                                                                                                                                                | <b>797,072</b>                                  | <b>160,230</b>        | <b>137,458</b>                                                  | <b>81,305</b>    | <b>2,161</b>   | <b>(83,979)</b>                 | <b>1,094,247</b>  |
| <b>Other segment information</b>                                                                                                                                                                                            |                                                 |                       |                                                                 |                  |                |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                                | 4,503,070                                       | 582,045               | 134,681                                                         | –                | 158,717        | –                               | 5,378,513         |
| Capital expenditures                                                                                                                                                                                                        | 433,140                                         | 63,777                | 154,161                                                         | 32,512           | 32,651         | –                               | 716,241           |
| Allowances for obsolete inventories, expected credit losses on trade<br>receivables, loans and receivables from related parties, other<br>current financial assets and impairment of other current non-<br>financial assets | (30,523)                                        | (7,554)               | (54,589)                                                        | (31,966)         | (10,170)       | –                               | (134,802)         |
| <b>Assets of the segment</b>                                                                                                                                                                                                | <b>11,643,803</b>                               | <b>1,550,949</b>      | <b>3,238,703</b>                                                | <b>2,254,912</b> | <b>601,821</b> | <b>(355,541)</b>                | <b>18,934,647</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                           | <b>1,967,848</b>                                | <b>362,981</b>        | <b>1,814,519</b>                                                | <b>5,747,682</b> | <b>220,781</b> | <b>(3,103,448)</b>              | <b>7,010,363</b>  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****36. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2023 and assets and liabilities as at December 31, 2023 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                       | Exploration and<br>production of<br>oil and gas | Oil<br>transportation | Refining and<br>trading of<br>crude oil and<br>refined<br>products | Corporate        | Other          | Eliminations and<br>adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------------|------------------|----------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                         | 909,768                                         | 267,002               | 6,144,394                                                          | 830,668          | 167,711        | –                               | 8,319,543         |
| Revenues from sales to other segments                                                                                                                                                                             | 1,415,539                                       | 165,242               | 180,601                                                            | 81,526           | 145,221        | (1,988,129)                     | –                 |
| <b>Total revenue*</b>                                                                                                                                                                                             | <b>2,325,307</b>                                | <b>432,244</b>        | <b>6,324,995</b>                                                   | <b>912,194</b>   | <b>312,932</b> | <b>(1,988,129)</b>              | <b>8,319,543</b>  |
| Cost of purchased oil, gas, petroleum products and other materials*                                                                                                                                               | (47,394)                                        | (19,317)              | (5,434,056)                                                        | (544,457)        | (44,900)       | 1,468,243                       | (4,621,881)       |
| Production expenses                                                                                                                                                                                               | (534,569)                                       | (252,477)             | (394,240)                                                          | (212,249)        | (245,707)      | 419,520                         | (1,219,722)       |
| Taxes other than income tax                                                                                                                                                                                       | (424,909)                                       | (19,181)              | (17,571)                                                           | (122,151)        | (10,268)       | –                               | (594,080)         |
| Transportation and selling expenses                                                                                                                                                                               | (191,482)                                       | (10,514)              | (99,054)                                                           | (10,505)         | (2)            | 66,032                          | (245,525)         |
| General and administrative expenses                                                                                                                                                                               | (40,731)                                        | (16,826)              | (53,752)                                                           | (44,229)         | (25,109)       | 14,750                          | (165,897)         |
| Share in profit of joint ventures and associates, net                                                                                                                                                             | 356,257                                         | 85,161                | 70,926                                                             | –                | 21,833         | –                               | 534,177           |
| <b>EBITDA*</b>                                                                                                                                                                                                    | <b>1,442,479</b>                                | <b>199,090</b>        | <b>397,248</b>                                                     | <b>(21,397)</b>  | <b>8,779</b>   | <b>(19,584)</b>                 | <b>2,006,615</b>  |
| <b>EBITDA, %*</b>                                                                                                                                                                                                 | <b>72%</b>                                      | <b>10%</b>            | <b>20%</b>                                                         | <b>(1%)</b>      | <b>–</b>       | <b>(1%)</b>                     |                   |
| Depreciation, depletion and amortization*                                                                                                                                                                         | (414,098)                                       | (39,611)              | (132,820)                                                          | (3,549)          | (9,465)        | –                               | (599,543)         |
| Interest revenue calculated using the effective interest method                                                                                                                                                   | 16,764                                          | 10,528                | 37,772                                                             | 114,743          | 14,105         | (54,463)                        | 139,449           |
| Other finance income                                                                                                                                                                                              | 121                                             | 172                   | 316                                                                | 5,180            | 2,062          | (519)                           | 7,332             |
| Finance costs                                                                                                                                                                                                     | (28,732)                                        | (8,773)               | (113,789)                                                          | (190,867)        | (9,227)        | 29,758                          | (321,630)         |
| Impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses                                                                                    | (107,725)                                       | (1,658)               | (97,854)                                                           | (40,337)         | (566)          | –                               | (248,140)         |
| Gain from disposal of subsidiary                                                                                                                                                                                  | –                                               | –                     | –                                                                  | 186,225          | –              | –                               | 186,225           |
| Foreign exchange gain, net                                                                                                                                                                                        | (6,842)                                         | 643                   | 47,910                                                             | (17,396)         | (135)          | 1,042                           | 25,222            |
| Excepted credit losses                                                                                                                                                                                            | (2,403)                                         | (627)                 | (2,171)                                                            | (8,061)          | (141)          | 1,529                           | (11,874)          |
| Other operating income                                                                                                                                                                                            | 5,334                                           | 2,341                 | 37,567                                                             | 5,277            | 13,417         | (8,558)                         | 55,378            |
| Other expenses                                                                                                                                                                                                    | (5,001)                                         | (2,219)               | (11,564)                                                           | (12,068)         | (12,031)       | 319                             | (42,564)          |
| Income tax expenses*                                                                                                                                                                                              | (154,329)                                       | (9,307)               | (36,967)                                                           | (67,780)         | (1,409)        | –                               | (269,792)         |
| <b>Profit/(loss) for the year from continuing operations*</b>                                                                                                                                                     | <b>745,568</b>                                  | <b>150,579</b>        | <b>125,648</b>                                                     | <b>(50,030)</b>  | <b>5,389</b>   | <b>(50,476)</b>                 | <b>926,678</b>    |
| <b>Other segment information</b>                                                                                                                                                                                  |                                                 |                       |                                                                    |                  |                |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                      | 4,056,464                                       | 536,576               | 129,442                                                            | –                | 98,945         | –                               | 4,821,427         |
| Capital expenditures*                                                                                                                                                                                             | 389,846                                         | 193,008               | 153,989                                                            | 44,097           | 22,597         | –                               | 803,537           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets | (14,486)                                        | (7,365)               | (49,875)                                                           | (35,150)         | (11,337)       | –                               | (118,213)         |
| <b>Assets of the segment*</b>                                                                                                                                                                                     | <b>11,573,073</b>                               | <b>1,475,597</b>      | <b>3,091,573</b>                                                   | <b>1,857,357</b> | <b>430,184</b> | <b>(1,486,683)</b>              | <b>16,941,101</b> |
| <b>Liabilities of the segment*</b>                                                                                                                                                                                | <b>1,626,832</b>                                | <b>370,240</b>        | <b>1,844,550</b>                                                   | <b>4,546,456</b> | <b>137,282</b> | <b>(1,980,873)</b>              | <b>6,544,487</b>  |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 6.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**37. SUBSEQUENT EVENTS**

On February 17, 2025, the civilian industrial facility of the international Caspian Pipeline Consortium, the Kropotkinskaya oil pumping station, was attacked by unmanned aerial vehicles of the aircraft type. As a result of the attack, the facility was damaged and decommissioned. As at the date of this report oil is pumped from the Republic of Kazakhstan without any restrictions.

**Joint Stock Company**  
**“National Company “KazMunayGas”**

Consolidated financial statements

*For the year ended December 31, 2023*  
*with independent auditor’s report*

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Independent auditor’s report

**Consolidated financial statements**

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## Independent auditor's report

To the Shareholders, Board of Directors and Management of Joint Stock Company "National Company "KazMunayGas"

### Opinion

We have audited the consolidated financial statements of Joint Stock Company "National Company "KazMunayGas" and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



## *Key audit matter*

## *How our audit addressed the key audit matter*

### *Impairment of non-current assets*

We consider this matter to be one of the matters of most significance in our audit due to materiality of the balances of non-current assets, including upstream, downstream and midstream assets, to the consolidated financial statements, the high level of subjectivity in respect of assumptions underlying impairment analysis and significant judgements and estimates made by management.

Assumptions included discount rates, oil and petroleum products prices forecasts and inflation and exchange rate forecasts.

Significant estimates included production forecast, future capital expenditure and oil and gas reserves available for development and production.

Information on non-current assets and the impairment tests performed is disclosed in **notes 4 and 16** to the consolidated financial statements.

We considered management's assessment of the existence of impairment indicators and where impairment indicators were identified, we involved our business valuation specialists in the testing of management's impairment analysis and calculation of recoverable amounts.

We analyzed the assumptions underlying management forecasts. We compared oil and petroleum products prices used in the calculation of recoverable amount to available market forecasts.

We compared the discount rates and long-term growth rates to general market indicators and other available evidence and checked the adjustments made by management when calculating the applicable discount rate.

We tested the mathematical accuracy of the impairment models and assessed the analysis of the sensitivity of the results of impairment tests to changes in assumptions.

We performed procedures to assess competence, capabilities and objectivity of the external experts engaged by the Group to estimate the volumes of oil and gas reserves and prepare impairment models, where applicable.

We analysed disclosures on impairment test in the consolidated financial statements.

### *Provisions and contingent liabilities*

Provisions are recognized and contingent liabilities are disclosed by the Group in respect of government inspections, provisions for asset retirement obligations (ARO) and general legal proceedings, as well as other matters.

In 2023 the Group recognized additional ARO for refineries and recorded changes in certain estimates related to ARO.

The assessment as to whether, or not, a liability should be recognized and whether

We inquired the Group's management and legal department for instances of non-compliance with laws and regulations and the status of any pending and ongoing litigations, claims and proceedings. We obtained legal letters from internal legal advisers.

We inspected relevant correspondence, the minutes of the meetings of the Group's management and Board of Directors.

Our procedures in respect of ARO included assessment of legal and constructive



amounts can be reliably estimated involves estimation and judgement. Predicting the outcome of the matter and estimating the potential impact if the outcome is unfavourable represents a complex process and the potential exposure on the consolidated financial statements may be significant.

Calculation of ARO requires significant judgment due to the inherent complexity in estimating future costs and due to significance of this liability. Most of these obligations are expected to be settled in a long-term perspective. The Group involved specialists to assess the ARO. Management's assumptions used in the calculation include expected approach to decommissioning and discount rates, along with the effects of changes in inflation rates.

Assessment of legal and constructive obligations of the Group related to the liquidation of assets according to the contractual agreements and relevant local legislation requires management's judgement and evaluation and implies variability.

We considered provisions and contingent liabilities to be one of the matters of most significance in our audit because of their significance to the consolidated financial statements, the level of judgment required and the 2023 events describe above.

Information on provisions, contingent liabilities and commitments is disclosed in **notes 30** and **36** to the consolidated financial statements.

obligations related to the liquidation of assets on the basis of contractual agreements and relevant local legislation.

We considered the competence and objectivity of the specialists involved by the Group, who produced the cost estimates as a basis for ARO. We compared the discount and inflation rates used to available external data. We checked mathematical accuracy of the calculations.

We have also assessed changes in estimated future costs related to ARO and assessed how the Group took into consideration the recent changes in the related legislation.

We analysed the Group's management's estimates underlying the amounts recognized as provisions in the consolidated financial statements and assessed judgements in respect of the probability of potential outcomes of contingent liabilities in the consolidated financial statements.

We analysed the related disclosures in the consolidated financial statements.

### ***Other information included in the Group's 2023 annual report***

Other information consists of the information included in the Group's 2023 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2023 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



### ***Responsibilities of management and the Audit Committee for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### ***Auditor's responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.





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- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Kairat Medetbayev.

*Ernst & Young LLP*

Kairat Medetbayev  
Auditor

Auditor Qualification Certificate  
No. МФ-0000137 dated 8 February 2013

050660, Republic of Kazakhstan, Almaty  
Al-Farabi ave., 77/7, Esentai Tower

12 March 2024

Rustamzhan Sattarov  
General Director  
Ernst and Young LLP

State audit license for audit activities on  
the territory of the Republic of Kazakhstan:  
series МФЮ-2 No. 0000003 issued by the  
Ministry of finance of the Republic of  
Kazakhstan on 15 July 2005

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For the year ended December 31, 2023**

| <i>In millions of tenge</i>                                                             | <b>Note</b> | <b>2023</b>        | <b>2022<br/>(restated)*</b> |
|-----------------------------------------------------------------------------------------|-------------|--------------------|-----------------------------|
| <b>Revenue and other income</b>                                                         |             |                    |                             |
| Revenue from contracts with customers                                                   | 9           | <b>8,319,543</b>   | 8,693,081                   |
| Share in profit of joint ventures and associates, net                                   | 10          | <b>534,177</b>     | 991,310                     |
| Gain from disposal of subsidiary                                                        | 5           | <b>186,225</b>     | -                           |
| Finance income                                                                          | 17          | <b>147,245</b>     | 120,603                     |
| Other operating income                                                                  |             | <b>55,378</b>      | 22,319                      |
| <b>Total revenue and other income</b>                                                   |             | <b>9,242,568</b>   | 9,827,313                   |
| <b>Costs and expenses</b>                                                               |             |                    |                             |
| Cost of purchased oil, gas, petroleum products and other materials                      | 11          | <b>(4,621,881)</b> | (4,960,176)                 |
| Production expenses                                                                     | 12          | <b>(1,219,722)</b> | (1,144,241)                 |
| Taxes other than income tax                                                             | 13          | <b>(594,080)</b>   | (677,921)                   |
| Depreciation, depletion and amortization                                                | 37          | <b>(601,204)</b>   | (506,900)                   |
| Transportation and selling expenses                                                     | 14          | <b>(245,525)</b>   | (205,352)                   |
| General and administrative expenses                                                     | 15          | <b>(177,792)</b>   | (160,479)                   |
| Impairment of property, plant and equipment, intangible assets and exploration expenses | 16          | <b>(230,580)</b>   | (19,917)                    |
| Finance costs                                                                           | 17          | <b>(322,073)</b>   | (308,055)                   |
| Foreign exchange gain, net                                                              |             | <b>25,222</b>      | 40,089                      |
| Other expenses                                                                          |             | <b>(60,124)</b>    | (85,424)                    |
| <b>Total costs and expenses</b>                                                         |             | <b>(8,047,759)</b> | (8,028,376)                 |
| <b>Profit before income tax</b>                                                         |             | <b>1,194,809</b>   | 1,798,937                   |
| Income tax expenses                                                                     | 33          | <b>(270,348)</b>   | (492,377)                   |
| <b>Net profit for the year</b>                                                          |             | <b>924,461</b>     | 1,306,560                   |

*The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

| <i>In millions of tenge</i>                                                                                             | <i>Note</i> | <b>2023</b>      | <b>2022</b><br><i>(restated)*</i> |
|-------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-----------------------------------|
| <b>Other comprehensive income/(loss)</b>                                                                                |             |                  |                                   |
| <i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</i>                     |             |                  |                                   |
| Hedging effect                                                                                                          | 31          | 849              | (11,872)                          |
| Exchange differences on translation of foreign operations                                                               |             | (176,614)        | 695,642                           |
| Net gain/(loss) on hedge of a net investment                                                                            | 28          | 46,152           | (187,440)                         |
| Tax effect                                                                                                              |             | 11,101           | (36,525)                          |
| <b>Net other comprehensive (loss)/income to be reclassified to profit or loss in the subsequent periods, net of tax</b> |             | <b>(118,512)</b> | <b>459,805</b>                    |
| <i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods</i>                 |             |                  |                                   |
| Actuarial gain on defined benefit plans of the Group                                                                    |             | 341              | 9,075                             |
| Actuarial gain/(loss) on defined benefit plans of the joint ventures                                                    |             | 651              | (19)                              |
| Tax effect                                                                                                              |             | (327)            | (116)                             |
| <b>Net other comprehensive income not to be reclassified to profit or loss in the subsequent periods, net of tax</b>    |             | <b>665</b>       | <b>8,940</b>                      |
| <b>Net other comprehensive (loss)/income for the year, net of tax</b>                                                   |             | <b>(117,847)</b> | <b>468,745</b>                    |
| <b>Total comprehensive income for the year, net of tax</b>                                                              |             | <b>806,614</b>   | <b>1,775,305</b>                  |
| <b>Net profit/(loss) for the year attributable to:</b>                                                                  |             |                  |                                   |
| Equity holders of the Parent Company                                                                                    |             | 960,483          | 1,278,359                         |
| Non-controlling interests                                                                                               |             | (36,022)         | 28,201                            |
|                                                                                                                         |             | <b>924,461</b>   | <b>1,306,560</b>                  |
| <b>Total comprehensive income/(loss) for the year attributable to:</b>                                                  |             |                  |                                   |
| Equity holders of the Parent Company                                                                                    |             | 842,977          | 1,745,651                         |
| Non-controlling interests                                                                                               |             | (36,363)         | 29,654                            |
|                                                                                                                         |             | <b>806,614</b>   | <b>1,775,305</b>                  |
| <b>Earnings per share** – tenge thousands</b>                                                                           |             |                  |                                   |
| Basic and diluted                                                                                                       | 27          | 1.574            | 2.095                             |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2022 and reflect adjustments made, refer to Note 7.

\*\* The number of ordinary shares as of December 31, 2023 and 2022 equaled to 610,119,493.

Deputy Chairman of the Management Board



*[Signature]*  
D.A. Aryssova

Chief accountant

*[Signature]*

A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2023**

| <i>In millions of tenge</i>                    | <b>Note</b> | <b>2023</b>       | <b>2022<br/>(restated)*</b> |
|------------------------------------------------|-------------|-------------------|-----------------------------|
| <b>Assets</b>                                  |             |                   |                             |
| <b>Non-current assets</b>                      |             |                   |                             |
| Exploration and evaluation assets              | 19          | 174,187           | 251,280                     |
| Property, plant and equipment                  | 18          | 7,181,206         | 6,994,001                   |
| Investment property                            |             | 19,383            | 17,304                      |
| Intangible assets                              | 20          | 874,930           | 918,261                     |
| Right-of-use assets                            |             | 101,765           | 76,567                      |
| Investments in joint ventures and associates   | 22          | 4,821,427         | 4,947,403                   |
| VAT receivable                                 |             | 30,360            | 16,760                      |
| Advances for non-current assets                |             | 50,954            | 52,982                      |
| Other non-current non-financial assets         |             | 4,192             | 3,713                       |
| Loans and receivables due from related parties | 25          | 94,334            | 129,857                     |
| Other non-current financial assets             |             | 23,217            | 10,672                      |
| Long-term bank deposits                        | 21          | 63,891            | 59,229                      |
| Deferred income tax assets                     | 33          | 65,829            | 41,598                      |
|                                                |             | <b>13,505,675</b> | <b>13,519,627</b>           |
| <b>Current assets</b>                          |             |                   |                             |
| Inventories                                    | 23          | 376,444           | 310,764                     |
| Trade accounts receivable                      | 24          | 561,258           | 519,684                     |
| VAT receivable                                 |             | 60,523            | 42,762                      |
| Income tax prepaid                             | 33          | 33,051            | 36,167                      |
| Other current non-financial assets             | 24          | 157,257           | 109,173                     |
| Loans and receivables due from related parties | 25          | 125,569           | 119,874                     |
| Other current financial assets                 | 24          | 74,870            | 57,057                      |
| Short-term bank deposits                       | 21          | 997,012           | 1,178,138                   |
| Cash and cash equivalents                      | 26          | 1,050,873         | 763,185                     |
|                                                |             | <b>3,436,857</b>  | <b>3,136,804</b>            |
| Assets classified as held for sale             |             | <b>180</b>        | <b>459</b>                  |
|                                                |             | <b>3,437,037</b>  | <b>3,137,263</b>            |
| <b>Total assets</b>                            |             | <b>16,942,712</b> | <b>16,656,890</b>           |

*The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

| <i>In millions of tenge</i>                                 | <b>Note</b> | <b>2023</b>       | <b>2022<br/>(restated)*</b> |
|-------------------------------------------------------------|-------------|-------------------|-----------------------------|
| <b>Equity and liabilities</b>                               |             |                   |                             |
| <b>Equity</b>                                               |             |                   |                             |
| Share capital                                               | 27          | 916,541           | 916,541                     |
| Additional paid-in capital                                  |             | 1,142             | 1,142                       |
| Other equity                                                |             | (910)             | (1,759)                     |
| Currency translation reserve                                |             | 4,090,281         | 4,209,612                   |
| Retained earnings                                           |             | 5,486,747         | 4,803,431                   |
| <b>Attributable to equity holders of the Parent Company</b> |             | <b>10,493,801</b> | <b>9,928,967</b>            |
| Non-controlling interests                                   | 27          | (99,404)          | (61,541)                    |
| <b>Total equity</b>                                         |             | <b>10,394,397</b> | <b>9,867,426</b>            |
| <b>Non-current liabilities</b>                              |             |                   |                             |
| Borrowings                                                  | 28          | 3,365,736         | 3,784,897                   |
| Lease liabilities                                           | 29          | 87,880            | 65,872                      |
| Other non-current financial liabilities                     | 31          | 18,743            | 15,080                      |
| Provisions                                                  | 30          | 306,219           | 210,765                     |
| Employee benefit liabilities                                |             | 70,975            | 66,097                      |
| Other non-current non-financial liabilities                 | 31          | 37,777            | 41,548                      |
| Deferred income tax liabilities                             | 33          | 1,126,767         | 999,010                     |
|                                                             |             | <b>5,014,097</b>  | <b>5,183,269</b>            |
| <b>Current liabilities</b>                                  |             |                   |                             |
| Trade accounts payable                                      | 31          | 663,930           | 565,092                     |
| Borrowings                                                  | 28          | 391,358           | 369,489                     |
| Lease liabilities                                           | 29          | 17,400            | 15,682                      |
| Other current financial liabilities                         | 31          | 145,953           | 283,820                     |
| Provisions                                                  | 30          | 33,576            | 58,779                      |
| Employee benefit liabilities                                |             | 5,703             | 4,969                       |
| Income tax payable                                          | 33          | 28,285            | 66,648                      |
| Other taxes payable                                         | 32          | 116,500           | 148,497                     |
| Other current non-financial liabilities                     | 31          | 131,513           | 93,219                      |
|                                                             |             | <b>1,534,218</b>  | <b>1,606,195</b>            |
| <b>Total liabilities</b>                                    |             | <b>6,548,315</b>  | <b>6,789,464</b>            |
| <b>Total equity and liabilities</b>                         |             | <b>16,942,712</b> | <b>16,656,890</b>           |
| <b>Book value per ordinary share** – tenge thousands</b>    | <b>27</b>   | <b>15.603</b>     | <b>14.668</b>               |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2022 and reflect adjustments made, refer to Note 7.

\*\* The number of ordinary shares as of December 31, 2023 and 2022 equaled to 610,119,493. Presentation of Book value per ordinary share is a non-IFRS measure required by KASE.

Deputy Chairman of the Management Board



Chief accountant

*D.A. Aryssova*

*A.S. Yesbergenova*

The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.



**CONSOLIDATED STATEMENT OF CASH FLOWS****For the year ended December 31, 2023**

| <i>In millions of tenge</i>                                                                                             | <b>Note</b> | <b>2023</b>      | <b>2022<br/>(restated)*</b> |
|-------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                                                                             |             |                  |                             |
| Profit before income tax                                                                                                |             | <b>1,194,809</b> | 1,798,937                   |
| <b>Adjustments:</b>                                                                                                     |             |                  |                             |
| Depreciation, depletion and amortization                                                                                | 37          | <b>601,204</b>   | 506,900                     |
| Impairment of property, plant and equipment, intangible assets and exploration expenses                                 | 16          | <b>230,580</b>   | 19,917                      |
| Gain on disposal of subsidiary                                                                                          | 5           | <b>(186,225)</b> | –                           |
| Realized losses from derivatives on petroleum products                                                                  | 12          | <b>(69)</b>      | 121,539                     |
| Finance income                                                                                                          | 17          | <b>(147,245)</b> | (120,603)                   |
| Finance costs                                                                                                           | 17          | <b>322,073</b>   | 308,055                     |
| Gain on disposal of joint venture                                                                                       |             | <b>90</b>        | –                           |
| Share in profit of joint ventures and associates, net                                                                   | 10          | <b>(534,177)</b> | (991,310)                   |
| Movements in provisions                                                                                                 |             | <b>(6,158)</b>   | 78,603                      |
| Net foreign exchange gain                                                                                               |             | <b>(29,107)</b>  | (34,290)                    |
| Write-off of inventories to net realizable value                                                                        |             | <b>4,646</b>     | 4,236                       |
| Loss on disposal of property, plant and equipment, intangible assets, investment property and assets held for sale, net |             | <b>501</b>       | 2,623                       |
| Reversal of impairment of VAT receivable                                                                                | 15          | <b>(282)</b>     | (1,942)                     |
| Change in financial guarantees                                                                                          |             | <b>344</b>       | 122                         |
| VAT non-recoverable                                                                                                     | 15          | <b>5,811</b>     | 2,582                       |
| Allowance for impairment of advances for non-current assets                                                             |             | <b>20,320</b>    | –                           |
| Allowance of expected credit loss for trade receivables and other assets                                                | 15          | <b>9,125</b>     | 2,758                       |
| <b>Operating profit before working capital changes</b>                                                                  |             | <b>1,486,240</b> | 1,698,127                   |
| Change in VAT receivable                                                                                                |             | <b>(37,306)</b>  | (14,118)                    |
| Change in inventory                                                                                                     |             | <b>(76,763)</b>  | (115,725)                   |
| Change in trade accounts receivable and other current assets                                                            |             | <b>4,640</b>     | 32,933                      |
| Change in trade and other payables and contract liabilities                                                             |             | <b>78,727</b>    | (110,086)                   |
| Change in other taxes payable                                                                                           |             | <b>(127,565)</b> | (58,183)                    |
| <b>Cash generated from operations</b>                                                                                   |             | <b>1,327,973</b> | 1,432,948                   |
| Dividends received from joint ventures and associates                                                                   | 22          | <b>619,826</b>   | 462,309                     |
| Income taxes paid                                                                                                       |             | <b>(147,166)</b> | (144,015)                   |
| Interest received                                                                                                       |             | <b>123,389</b>   | 49,487                      |
| Interest paid                                                                                                           | 28, 29      | <b>(256,408)</b> | (233,418)                   |
| <b>Net cash flow from operating activities</b>                                                                          |             | <b>1,667,614</b> | 1,567,311                   |

*The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

| <i>In millions of tenge</i>                                                                                     | <b>Note</b> | <b>2023</b>      | <b>2022<br/>(restated)*</b> |
|-----------------------------------------------------------------------------------------------------------------|-------------|------------------|-----------------------------|
| <b>Cash flows from investing activities</b>                                                                     |             |                  |                             |
| Placement of bank deposits                                                                                      |             | (1,460,352)      | (1,698,647)                 |
| Withdrawal of bank deposits                                                                                     |             | 1,614,940        | 1,138,294                   |
| Acquisition of subsidiary, net of cash acquired                                                                 | 6,7         | (156,388)        | (1,198,317)                 |
| Deferred consideration paid for the acquisition of subsidiary                                                   | 7           | (163,770)        | -                           |
| Purchase of property, plant and equipment, intangible assets and exploration and evaluation assets              |             | (683,439)        | (451,476)                   |
| Proceeds from sale of property, plant and equipment, exploration and evaluation assets and assets held for sale |             | 3,317            | 2,219                       |
| Proceeds from disposal of subsidiary net of cash disposed                                                       | 5           | 94,624           | -                           |
| Cash of disposed subsidiaries                                                                                   |             | -                | (4,137)                     |
| Additional contributions to joint ventures without changes in ownership                                         | 22          | (20,117)         | (15,398)                    |
| Loans given to related parties                                                                                  | 34          | (44,672)         | (42,018)                    |
| Repayment of loans due from related parties                                                                     | 34          | 35,963           | 38,190                      |
| Acquisition of debt securities                                                                                  |             | (7,063)          | -                           |
| Proceeds from sale of debt securities                                                                           |             | 289              | 118                         |
| Redeem of notes of the National Bank of RK                                                                      | 34          | 451,598          | 17,000                      |
| Acquisition of notes of the National Bank of RK                                                                 | 34          | (425,263)        | (87,000)                    |
| Other                                                                                                           |             | 697              | (1,138)                     |
| <b>Net cash flows used in investing activities</b>                                                              |             | <b>(759,636)</b> | <b>(2,302,310)</b>          |
| <b>Cash flows from financing activities</b>                                                                     |             |                  |                             |
| Proceeds from borrowings                                                                                        | 28          | 385,304          | 985,714                     |
| Repayment of borrowings                                                                                         | 28          | (666,232)        | (224,327)                   |
| Dividends paid to shareholders                                                                                  | 27          | (300,002)        | (199,997)                   |
| Dividends paid to non-controlling interests                                                                     | 27          | (1,572)          | (1,975)                     |
| Distributions to Samruk-Kazyna                                                                                  | 27          | (120)            | (266,069)                   |
| Contribution from the related party                                                                             | 27          | 14,155           | 7,064                       |
| Payment of principal portion of lease liabilities                                                               | 29          | (26,933)         | (19,709)                    |
| Return of insurance premium                                                                                     | 28          | -                | 7,370                       |
| Other distribution to shareholders                                                                              | 27          | (8,962)          | -                           |
| <b>Net cash flows (used in)/from financing activities</b>                                                       |             | <b>(604,362)</b> | <b>288,071</b>              |
| Effects of exchange rate changes on cash and cash equivalents                                                   |             | (15,942)         | 65,755                      |
| Change in allowance for expected credit losses                                                                  |             | 14               | 114                         |
| <b>Net change in cash and cash equivalents</b>                                                                  |             | <b>287,688</b>   | <b>(381,059)</b>            |
| Cash and cash equivalents, at the beginning of the year                                                         |             | 763,185          | 1,144,244                   |
| <b>Cash and cash equivalents, at the end of the year</b>                                                        |             | <b>1,050,873</b> | <b>763,185</b>              |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2021 and reflect adjustments made, refer to Note 7.

**Non-cash transactions**

For the year ended December 31, 2023, accounts payable for purchases of property, plant and equipment increased by 69,734 million tenge (2022: increased by 81,471 million tenge).

As at December 31, 2022 the financial aid provided to Samruk-Kazyna has been fully repaid by setting of against the payable for the acquisition of 49.50% ownership interest in Kazakhstan Petrochemical Industries Inc. LLP for 91,175 million tenge, payable for the acquisition of 49.50% ownership interest in Silleno LLP for 816 million tenge and the part of the payable for exercising the Option for 3,425,587 million tenge (acquisition of Kashagan) (Notes 7, 25 and 34).

Deputy Chairman of the Management Board

Chief accountant



*[Signature]*  
D.A. Artysova

*[Signature]*  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

| <i>In millions of tenge</i>                                    | Attributable to equity holders of the Parent Company |                            |              |                              |                   | Total       | Non-controlling interests | Total       |
|----------------------------------------------------------------|------------------------------------------------------|----------------------------|--------------|------------------------------|-------------------|-------------|---------------------------|-------------|
|                                                                | Share capital                                        | Additional paid-in capital | Other equity | Currency translation reserve | Retained earnings |             |                           |             |
| <b>As at December 31, 2021 (restated)*</b>                     | 916,541                                              | 1,142                      | 10,113       | 3,738,581                    | 5,438,328         | 10,104,705  | (89,282)                  | 10,015,423  |
| Net profit for the year (restated)*                            | -                                                    | -                          | -            | -                            | 1,278,359         | 1,278,359   | 28,201                    | 1,306,560   |
| Other comprehensive (loss)/income (restated)*                  | -                                                    | -                          | (11,872)     | 471,031                      | 8,133             | 467,292     | 1,453                     | 468,745     |
| <b>Total comprehensive (loss)/income (restated)*</b>           | -                                                    | -                          | (11,872)     | 471,031                      | 1,286,492         | 1,745,651   | 29,654                    | 1,775,305   |
| Dividends (Note 27)                                            | -                                                    | -                          | -            | -                            | (199,997)         | (199,997)   | (2,296)                   | (202,293)   |
| Distributions to Samruk-Kazyna (Note 27)                       | -                                                    | -                          | -            | -                            | (273,870)         | (273,870)   | -                         | (273,870)   |
| Acquisition of joint ventures (Notes 7, 8 and 27)              | -                                                    | -                          | -            | -                            | (63,634)          | (63,634)    | -                         | (63,634)    |
| Acquisition of KMG Kashagan B.V. under common control (Note 7) | -                                                    | -                          | -            | -                            | (1,777,076)       | (1,777,076) | -                         | (1,777,076) |
| Transactions with Samruk-Kazyna (Note 27)                      | -                                                    | -                          | -            | -                            | 385,997           | 385,997     | -                         | 385,997     |
| Contribution from the related party (Note 27)*                 | -                                                    | -                          | -            | -                            | 9,960             | 9,960       | -                         | 9,960       |
| Equity contribution to subsidiary                              | -                                                    | -                          | -            | -                            | -                 | -           | 383                       | 383         |
| Other distributions                                            | -                                                    | -                          | -            | -                            | (2,769)           | (2,769)     | -                         | (2,769)     |
| <b>As at December 31, 2022 (restated)*</b>                     | 916,541                                              | 1,142                      | (1,759)      | 4,209,612                    | 4,803,431         | 9,928,967   | (61,541)                  | 9,867,426   |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2022 and reflect adjustments made, refer to Note 7.

The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

| <i>In millions of tenge</i>                                         | Attributable to equity holders of the Parent Company |                            |                |                              |                   | Total             | Non-controlling interests | Total             |
|---------------------------------------------------------------------|------------------------------------------------------|----------------------------|----------------|------------------------------|-------------------|-------------------|---------------------------|-------------------|
|                                                                     | Share capital                                        | Additional paid-in capital | Other equity   | Currency translation reserve | Retained earnings |                   |                           |                   |
| <b>As at December 31, 2022 (restated)*</b>                          | <b>916,541</b>                                       | <b>1,142</b>               | <b>(1,759)</b> | <b>4,209,612</b>             | <b>4,803,431</b>  | <b>9,928,967</b>  | <b>(61,541)</b>           | <b>9,867,426</b>  |
| Net profit/(loss) for the year                                      | -                                                    | -                          | -              | -                            | 960,483           | 960,483           | (36,022)                  | 924,461           |
| Other comprehensive income/(loss)                                   | -                                                    | -                          | 849            | (119,331)                    | 976               | (117,506)         | (341)                     | (117,847)         |
| <b>Total comprehensive income/(loss)</b>                            | <b>-</b>                                             | <b>-</b>                   | <b>849</b>     | <b>(119,331)</b>             | <b>961,459</b>    | <b>842,977</b>    | <b>(36,363)</b>           | <b>806,614</b>    |
| Dividends (Note 27)                                                 | -                                                    | -                          | -              | -                            | (300,002)         | (300,002)         | (1,500)                   | (301,502)         |
| Distributions to Samruk-Kazyna (Note 27)                            | -                                                    | -                          | -              | -                            | (120)             | (120)             | -                         | (120)             |
| Other operations (Note 27)                                          | -                                                    | -                          | -              | -                            | (17,925)          | (17,925)          | -                         | (17,925)          |
| Acquisition of Polimer Production LLP under common control (Note 7) | -                                                    | -                          | -              | -                            | (1,520)           | (1,520)           | -                         | (1,520)           |
| Transactions with Samruk-Kazyna (Note 27)                           | -                                                    | -                          | -              | -                            | 26,597            | 26,597            | -                         | 26,597            |
| Contribution from the related party (Note 27)                       | -                                                    | -                          | -              | -                            | 14,827            | 14,827            | -                         | 14,827            |
| <b>As at December 31, 2023</b>                                      | <b>916,541</b>                                       | <b>1,142</b>               | <b>(910)</b>   | <b>4,090,281</b>             | <b>5,486,747</b>  | <b>10,493,801</b> | <b>(99,404)</b>           | <b>10,394,397</b> |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2022 and reflect adjustments made, refer to Note 7.

Deputy Chairman of the Management Board

Chief accountant



*[Signature]*  
D.A. Aryssova

*[Signature]*  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 9 through 84 form an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****For the year ended 31 December 2023**

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**1. GENERAL**

Joint stock company “National Company “KazMunayGas” (further the Company, JSC NC “KazMunayGas” or Parent Company) is oil and gas enterprise of the Republic of Kazakhstan (further RK), which was established on February 27, 2002 as a closed joint stock company pursuant to the Decree No. 811 of the President of the RK dated February 20, 2002 and the resolution of the Government of the RK (further the Government) No. 248 dated February 25, 2002. The Company was formed as a result of the merger of closed joint stock companies “National Oil and Gas Company Kazakhoil” and “National Company Transport Nefti i Gaza”. As the result of the merger, all assets and liabilities, including ownership interest in all entities owned by these companies, have been transferred to the Company. The Company was reregistered as a joint stock company in accordance with the legislation of the RK in March 2004.

Starting from June 8, 2006, the sole shareholder of the Company was joint stock company “Kazakhstan Holding Company for State Assets Management “Samruk”, which in October 2008 was merged with the state owned Sustainable Development Fund “Kazyna” and formed joint stock company “National Welfare Fund Samruk-Kazyna”, now renamed to joint stock company “Sovereign Wealth Fund Samruk-Kazyna” (further Samruk-Kazyna). The Government is the sole shareholder of Samruk-Kazyna.

On August 7, 2015, the National Bank of RK (further NB RK) purchased 9.58% plus one share of the Company from Samruk-Kazyna. From December 8, 2022, 3.00% of shares of the Company are freely available on the Astana International Exchange (further AIX) and the Kazakhstan Stock Exchange (further KASE) stock exchanges.

On December 22, 2023, 20.00% of the Company’s shares owned by Samruk-Kazyna were transferred to the Ministry of Finance of the Republic of Kazakhstan.

As at December 31, 2023, the Company has interest in 61 operating companies (as of December 31, 2022: 59) (jointly “the Group”).

The Company has its registered office in the RK, Astana, Dinmukhamed Kunayev, 8.

The principal activity of the Group includes, but is not limited, to the following:

- Participation in the development and implementation of the uniform public policy in the oil and gas sector;
- Representation of the state interests in subsoil use contracts through interest participation in those contracts; and
- Corporate governance and monitoring of exploration, development, production, oil servicing, processing, petrochemistry, transportation and sale of hydrocarbons and the designing, construction and maintenance of oil-and-gas pipeline and field infrastructure.

The consolidated financial statements comprise the financial statements of the Company and its controlled subsidiaries (*Note 3*).

These consolidated financial statements of the Group were approved for issue by the Deputy Chairman of the Management Board and the Chief accountant on March 12, 2024.

**2. BASIS OF PREPARATION**

These consolidated financial statements have been prepared on a historical cost basis, except as described in the accounting policies and the notes to these consolidated financial statements. All values in these consolidated financial statements are rounded to the nearest millions, except when otherwise indicated.

**Statement of compliance**

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB).

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group consolidated financial statements are disclosed in *Note 4*.

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern. The Management of the Group consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**2. BASIS OF PREPARATION (continued)****Foreign currency translation***Functional and presentation currency*

Items included in the financial statements of each of the Group's entities included in these consolidated financial statements are measured using the currency of the primary economic environment in which the entities operate (the functional currency). The consolidated financial statements are presented in Kazakhstan tenge (tenge or KZT), which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

*Group Companies*

The results and financial position of all of the Group's subsidiaries, joint ventures and associates (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

*Exchange rates*

Weighted average currency exchange rates established by KASE are used as official currency exchange rates in the Republic of Kazakhstan. The currency exchange rate of KASE as at December 31, 2023 was 454.56 tenge to 1 United States dollar (US dollar). This rate was used to translate monetary assets and liabilities denominated in US dollar as at December 31, 2023 (2022: 462.65 tenge to 1 US dollar). The currency exchange rate of KASE as at March 12, 2024 was 449.30 tenge to 1 US dollar. For the year ended December 31, 2023, the Group had net foreign exchange gain of KZT 25,222 million due to fluctuations in foreign exchange rates to tenge.

**3. MATERIAL ACCOUNTING POLICY INFORMATION****Changes in accounting policies and disclosures***New and amended standards and interpretations*

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2022, except for the adoption of new standards and interpretations effective as of January 1, 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Changes in accounting policies and disclosures (continued)*****New and amended standards and interpretations (continued)***

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the consolidated financial statements of the Group.

The Group presented only the list of standards effective and applicable for the Group.

*IFRS 17 Insurance Contracts*

In May 2017, the IASB issued IFRS 17 *Insurance Contracts*, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 *Insurance Contracts* that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and reinsurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach);
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

The amendments had no significant impact on the Group's consolidated financial statements.

*Definition of Accounting Estimates - Amendments to IAS 8*

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

*Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2*

The amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12*

The amendments to IAS 12 *Income Tax* narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no impact on the Group's consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Changes in accounting policies and disclosures (continued)*****New and amended standards and interpretations (continued)****International Tax Reform – Pillar II Model Rules - Amendments to IAS 12 Income Taxes*

The amendments to IAS 12 have been introduced in response to the OECD’s BEPS Pillar II rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar II model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity’s exposure to Pillar II income taxes arising from that legislation, particularly before its effective date.

KMG Group is part of Samruk-Kazyna Group that is a multinational enterprise with revenue in excess of EUR 750 million per consolidated financial statements of the international group for the financial year, immediately preceding the reporting financial year, using the arithmetic average market exchange rate determined in accordance with the tax legislation of the Republic of Kazakhstan for the respective financial year.

Samruk-Kazyna is a parent entity of the international group. Entities of the multinational enterprise are presented in the following jurisdictions where Pillar II Model Rules have been enacted (or substantially enacted), and will enter into force in tax years 2024 and beyond: the Republic of Bulgaria, Federal Republic of Germany, Kingdom of the Netherlands, Romania, the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland.

The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar II income taxes.

The Group is in the process of potential exposure assessment related to the Pillar II Model Rules implementation at the legislative level. The assessment is based on the most recent tax filings, country-by-country reporting for 2022 and current financial information for 2023.

Based on the assessment the Group identified potential exposure related to the Pillar II income taxes on profit earned by some companies in the Swiss Confederation jurisdiction and Kingdom of the Netherlands, where the effective income tax rate was below 15%. The Group does not expect a material exposure to Pillar II income taxes in these jurisdictions. However, exposure may also exist in other jurisdictions where the assessment is in progress.

The Group is still in the process of assessing the potential exposure to Pillar II income taxes as at December 31, 2023. The potential exposure, if any, to Pillar II income taxes is currently not known or reasonably estimable. The Group continues to progress on the assessment and expects to complete the assessment in 2024.

**Standards issued but not yet effective**

There are new pronouncements issued as at December 31, 2023:

- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures: Supplier Finance Arrangements* (issued on May 25, 2023);
- Amendments to IAS 1 *Presentation of Financial Statements: classification of Liabilities as Current or Non-current* (issued on January 23, 2020), *deferral of effective date of classification of Liabilities as Current or Non-current* (issued on July 15, 2020), *non-current Liabilities with Covenants* (issued on October 31, 2022);
- Amendments to IFRS 16 *Leases: Lease Liability in a Sale and Leaseback* (issued on September 22, 2022);
- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* (issued on August 15, 2023).

The amendments are not expected to have a material impact on the Group’s financial statements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has: power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee, and; the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: the contractual arrangement with the other vote holders of the investee; rights arising from other contractual arrangements; the Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, revenue and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Profit or loss and each component of other comprehensive income are attributable to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

**Subsidiaries**

As at December 31, 2023 and 2022, the following direct significant subsidiaries were included in these consolidated financial statements:

| Significant entities                                            | Main activity                          | Country of incorporation | Percentage ownership |        |
|-----------------------------------------------------------------|----------------------------------------|--------------------------|----------------------|--------|
|                                                                 |                                        |                          | 2023                 | 2022   |
| KazMunayGas Exploration Production JSC (further KMG EP)         | Exploration and production             | Kazakhstan               | <b>99.72%</b>        | 99.72% |
| KazMunayTeniz LLP                                               | Exploration and production             | Kazakhstan               | <b>100%</b>          | 100%   |
| KMG Karachaganak LLP                                            | Exploration and production             | Kazakhstan               | <b>100%</b>          | 100%   |
| Kazakhturkmunay LLP                                             | Exploration and production             | Kazakhstan               | <b>100%</b>          | 100%   |
| KMG Kashagan B.V. (Note 7)                                      | Exploration and production             | Netherlands              | <b>100%</b>          | 100%   |
| Dunga Operating GmbH (Note 6)                                   | Production                             | Kazakhstan               | <b>100%</b>          | –      |
| KazTransOil JSC                                                 | Oil transportation                     | Kazakhstan               | <b>90%</b>           | 90%    |
| KazMorTransFlot LLP                                             | Oil transportation and construction    | Kazakhstan               | <b>100%</b>          | 100%   |
| Cooperative KazMunayGas PKI U.A.                                | Refinery and marketing of oil products | Netherlands              | <b>100%</b>          | 100%   |
| Atyrau Refinery LLP                                             | Refinery                               | Kazakhstan               | <b>99.53%</b>        | 99.53% |
| Pavlodar oil chemistry refinery LLP (further Pavlodar refinery) | Refinery                               | Kazakhstan               | <b>100%</b>          | 100%   |
| KMG International N.V. (further KMG I)                          | Refinery and marketing of oil products | Romania                  | <b>100%</b>          | 100%   |
| KMG Drilling&Services LLP                                       | Drilling services                      | Kazakhstan               | <b>100%</b>          | 100%   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in general and administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. If the contingent consideration is not within the scope of IFRS 9, it is measured at fair value through profit and loss. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

*Acquisition of subsidiaries from parties under common control*

Acquisitions of subsidiaries from parties under common control are accounted for using the pooling of interest method.

The assets and liabilities of the subsidiary transferred under common control are recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Related goodwill, if any, inherent in the Predecessor's original acquisition is also recorded in the consolidated financial statements. Any difference between the total book value of net assets, including the Predecessor's goodwill, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

The consolidated financial statements, including corresponding figures, are presented as if the subsidiary had been acquired by the Group on the date it was originally acquired by the Predecessor.

*Acquisition of joint ventures and associates from parties under common control*

Acquisition of joint ventures and associates from parties under common control are accounted for using the pooling of interest method.

The Group's share in the assets and liabilities of the joint ventures and associates transferred under common control is recorded in the consolidated financial statements at the carrying amounts of the transferring entity (the Predecessor) at the date of the transfer. Any difference between the Group's share in the total book value of net assets, and the consideration paid is accounted for in the consolidated financial statements as an adjustment to equity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Investment in associates and joint ventures**

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint venture and associates are accounted for using the equity method.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the joint venture or associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognized directly in the equity of the joint venture or associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

The aggregate of the Group's share in profit or loss of a joint venture and an associate is shown on the face of the consolidated statement of comprehensive income and represents profit or loss after tax and non-controlling interest in the subsidiaries of the joint venture or associate. The financial statements of the joint venture or associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring their accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as “Impairment of investment in joint venture and associate” in the consolidated statement of comprehensive income.

Upon loss of joint control over the joint venture or significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of joint control or significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

**Oil and natural gas exploration, evaluation and development expenditure***Costs incurred before obtaining subsoil use rights (licenses)*

Costs incurred before obtaining full subsoil use rights (licenses) are expensed in the period in which they are incurred, except when costs are incurred after signing preliminary agreements with the Government of RK, in such cases costs incurred after this date are capitalized in exploration and evaluation assets.

*Subsoil use rights and property acquisition costs*

Exploration and production subsoil use rights and related property acquisition costs are capitalized within exploration and evaluation assets and subclassified as intangible. Each property under exploration and appraisal is reviewed on an annual basis to confirm that drilling activity is planned and it is not impaired. If no future activity is planned, the carrying amount of the exploration subsoil use right and related property acquisition costs is written off. Upon determination of economically recoverable reserves ('proved reserves' or 'commercial reserves') and internal approval of development, the carrying amount of the subsoil use right and related property acquisition costs held on a field-by-field basis is aggregated with exploration and evaluation assets and transferred to oil and gas assets or intangible assets.

*Exploration and evaluation costs*

Once the legal right to explore has been acquired, geological and geophysical exploration costs and costs directly associated with exploration and appraisal wells, including unsuccessful development or delineation wells are capitalized as exploration and evaluation intangible or tangible assets, according to the nature of the costs, until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors. If no expected reserves are found, the exploration and evaluation asset is tested for impairment. If extractable hydrocarbons are found and, subject to further appraisal activity, which may include the drilling of further wells, are likely to be developed commercially; the costs continue to be carried as an asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbon reserves.

All such carried costs are subject to technical, commercial and management review as well as review for impairment at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Oil and natural gas exploration, evaluation and development expenditure (continued)***Exploration and evaluation costs (continued)*

When proved reserves of hydrocarbons are determined and development is sanctioned, the relevant expenditure is transferred to oil and gas assets after impairment is assessed and impairment loss recognized, if any.

When this is no longer the case, and the Group decides to relinquish the contract territory to the Government and terminate the subsoil use contracts, the assets are written off.

*Development costs*

Expenditures on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, are capitalized within oil and gas assets.

**Oil and gas assets and other property, plant and equipment**

Oil and gas assets and other property, plant and equipment are stated at cost less accumulated depreciation, depletion and impairment.

The initial cost of an asset comprises its purchase price or construction cost, borrowing cost for long-term construction or development project, if recognition criteria is met, any costs directly attributable to bringing the asset into operation and the initial estimate of decommissioning obligation, if there is any. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Oil and gas assets are depreciated using a unit-of-production method, whereas tangible assets are depreciated over proved developed reserves and intangible assets – over proved reserves. Certain oil and gas assets with useful lives less than the remaining life of the fields or term of the subsoil use contracts are depreciated on a straight-line basis over useful lives.

Property, plant and equipment other than oil and gas assets and land principally comprise buildings, machinery and equipment, vehicles and others that are depreciated on a straight-line basis over the expected remaining useful average lives as follows:

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|                            |                 |
|----------------------------|-----------------|
| Refinery assets            | 4-100 years     |
| Pipelines                  | 2-30 years      |
| Buildings and improvements | 2-100 years     |
| Machinery and equipment    | 2-30 years      |
| Vehicles                   | 3-35 years      |
| Other                      | 2-20 years      |
| Land                       | Not depreciated |

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The expected useful lives of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of property, plant and equipment, inclusive of production wells which stop producing commercial quantities of hydrocarbons and are scheduled for abandonment, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period the item is derecognized.

**Intangible assets**

Intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. Intangible assets include expenditure on acquiring subsoil use rights for oil and natural gas exploration, evaluation and development, computer software and goodwill. Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Intangible assets (continued)**

Intangible assets, except for goodwill and subsoil use rights, are amortized on a straight-line basis over the expected remaining useful life. The expected useful lives of the assets are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively. Computer software costs have an estimated useful life of 3 to 7 years.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is tested for impairment annually (as at December 31) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

**Impairment of exploration and evaluation assets**

Exploration and evaluation assets are tested for impairment when reclassified to oil and gas development tangible and intangible assets or whenever facts and circumstances indicate impairment.

One or more of the following facts and circumstances indicate that the Group should test exploration and evaluation assets for impairment (the list is not exhaustive):

- The period for which the Group entity has the right to explore and appraise in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on the further exploration for and evaluation of hydrocarbon resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of hydrocarbon resources in the specific area have not led to the discovery of commercially viable quantities of hydrocarbon resources and the Group entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**Asset retirement obligation (decommissioning)**

Provision for decommissioning is recognized in full, on a discounted cash flow basis, when the Group has an obligation to dismantle and remove a facility or an item of plant, property and equipment and to restore the site on which it is located, and when a reasonable estimate of that provision can be made. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also created. This asset is subsequently depreciated as part of the capital costs of the production and transportation facilities based on the appropriate depreciation method.

Changes in the measurement of an existing decommissioning provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or change in the discount rate, is accounted for so that:

- (a) Changes in the provision are added to, or deducted from, the cost of the related asset in the current period;
- (b) The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognized immediately in the consolidated statement of comprehensive income; and
- (c) If the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss, in accordance with IAS 36.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Financial assets*****Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a debt financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through profit or loss.

The Group does not have financial assets at fair value through other comprehensive income.

**Derecognition**

A financial asset is primarily derecognized (removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

***Impairment of financial assets***

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Derecognition (continued)*****Impairment of financial assets (continued)***

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Leases**

The Group assesses at contract inception whether a contract is, or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

***The Group as a lessee***

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

***Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

***Lease liabilities***

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Finance lease liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Inventories**

Inventories are stated at the lower of cost and net realizable value on a first-in first-out (FIFO) basis. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the cost of production, including the appropriate proportion of depreciation, depletion and amortization and overheads based on normal capacity. Net realizable value of crude oil and refined products is based on estimated selling price in the ordinary course of business less any costs expected to be incurred to complete the sale.

**Cash and cash equivalents**

Cash and cash equivalents include cash in bank and cash on hand, demand deposits with banks with original maturities of three months or less.

**Financial liabilities*****Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans borrowings and payables, or as derivatives financial instruments.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

***Trade and other payables***

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

***Loans and borrowings***

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs.

The Group does not have financial liabilities at fair value through profit or loss.

***Financial guarantee contracts***

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the expected credit losses allowance calculated under IFRS 9 and the amount recognized less cumulative amortization, if any.

**Net investment hedges**

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or a foreign exchange gains and losses for a non-derivative is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivatives is recognized immediately in profit or loss. The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

*Provision for obligations to the Government*

The Government assigns various sponsorship and financing obligations to the Group. Management of the Group believes that such Government's assignments represent constructive obligations of the Group and require recognition on the basis of respective resolution of the Government. Furthermore, as the Government is acting as the ultimate controlling party of the Group, the expenditures on these assignments are recognized as other distributions to the Shareholders directly in the equity, in the consolidated financial statements.

**Employee benefits***Pension scheme*

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state – managed retirement benefit schemes are dealt with as defined contribution plans where the Group's obligations under the scheme are equivalent to those arising in a defined contribution retirement benefit plan.

*Long-term employee benefits*

The Group provides long-term employee benefits to employees before, on and after retirement, in accordance with the collective agreements between the Group entities and their employees. The collective agreement provides for certain one-off retirement payments, financial aid for employees' disability, anniversaries, funeral and other benefits. The entitlement to benefits is usually conditional on the employee remaining in service up to retirement age.

The expected costs of the benefits associated with one-off retirement payments are accrued over the period of employment using the same accounting methodology as used for defined benefit post-employment plans with defined payments upon the end of employment. Actuarial gains and losses arising in the year are taken to other comprehensive income. For this purpose, actuarial gains and losses comprise both the effects of changes in actuarial assumptions and experience adjustments arising because of differences between the previous actuarial assumptions and what has actually occurred. Other movements are recognized in the current period, including current service cost, any past service cost and the effect of any curtailments or settlements.

The most significant assumptions used in accounting for defined benefit obligations are discount rate and mortality assumptions. The discount rate is used to determine the net present value of future liabilities and each year the unwinding of the discount on those liabilities is charged to the consolidated statement of comprehensive income as finance costs. The mortality assumption is used to project the future stream of benefit payments, which is then discounted to arrive at a net present value of liabilities.

Employee benefits other than one-off retirement payments are considered as other long-term employee benefits. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for the defined benefit plan. Actuarial gains and losses on other long-term employee benefits are recognized in the profit or loss. These obligations are valued by independent qualified actuaries on an annual basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Revenue recognition**

Revenues are recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. Specifically, domestic sales of crude oil and gas, as well as petroleum products and materials are usually recognized when title passes. For export sales, title generally passes at the border of the RK. Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts, volume rebates and reimbursable taxes.

Sales of support services are recognized as services are performed provided that the service price can be determined and no significant uncertainties regarding the receipt of revenues exist.

The Group mainly recognizes revenue for the following types:

*Revenue from sale of crude oil and oil products*

Revenue from the sale of oil and oil products is recognized when control of the goods is transferred to the customer and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for such goods or services.

*Revenue from transportation services*

Revenue from transportation services is recognized when services are provided based on the actual volumes of oil transported in the reporting period.

*Revenue from oil and oil products refinery services*

Revenue from oil and oil products refinery services is recognized if it is probable that the economic benefits will flow to the Group and if the revenue can be measured reliably, regardless of the timing of payment.

*Interest income and expense*

For all financial instruments measured at amortized cost, and interest income and interest expense are recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income and interest expense is included in finance costs in the consolidated statement of comprehensive income.

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

**Income taxes**

Income tax for the year comprises current income tax, excess profit tax and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax (CIT) relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Income taxes (continued)**

Excess profit tax (EPT) is treated as an income tax and forms part of income tax expense. In accordance with the applicable tax legislation, the Group accrues and pays EPT in respect of each subsoil use contract, at varying rates based on the ratio of aggregate annual income to deductions for the year for a particular subsoil use contract. The ratio of aggregate annual income to deductions in each tax year triggering the application of EPT is 1.25:1. EPT rates are applied to the part of the taxable income (taxable income after corporate income tax and allowable adjustments) related to each subsoil use contract in excess of 25% of the deductions attributable to each contract.

Deferred tax is calculated with respect to both CIT and EPT. Deferred EPT is calculated on temporary differences for assets allocated to subsoil use contracts at the expected rate of EPT to be paid under the contract.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**Equity***Non-controlling interest*

Non-controlling interests are initially recognized in proportion to identifiable net assets at the acquisition date.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the Company's owners. Total comprehensive income is attributed to the Company's owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

*Dividends*

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are declared before the reporting date or after the reporting date but before the consolidated financial statements are authorized for issue.

**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities and assets, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Impairment testing assumptions**

The Group assessed the existence of impairment indicators of non-current assets and where impairment indicators were identified, the Group performed the impairment tests.

The Group's long-term assumptions for Brent oil prices, KZT/USD exchange rate and inflation projections have been revised and are based on externally sourced forecasts and rates of the independent research organizations considering long-term market expectations. Production volumes estimates are based on proved developed and undeveloped reserves for subsidiaries, and on proved and probable reserves for significant investments in joint ventures and associates. Production period is either based on subsoil use contracts' expiration date or on extended license period, to which the Group has strong intention to extend its licenses. Estimated production volumes are based on the Group's production plans that are mostly used for the purposes of application filing for extension of subsoil use contracts.

Discount rates were estimated on the weighted average cost of capital of the individual cash generating unit and ranged between 11.60-16.60% depending on the functional currency, production period, size, equity risk premium, beta and gearing ratio of the relevant CGU.

The long-term price assumptions applied were derived from Bloomberg consensus; so did the near-term commodity price assumptions, a summary of which, in real 2023 terms, is provided below:

|                                 | 2024  | 2025  | 2026  | 2027  | 2028  |
|---------------------------------|-------|-------|-------|-------|-------|
| Brent oil<br>(ICE Brent \$/bbl) | 84.60 | 83.00 | 78.00 | 73.00 | 74.47 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Impairment testing assumptions (continued)**

For 2023 in “*Exploration and production of oil and gas*” segment net impairment charges were 130,502 million tenge, which mainly relate to the exploration and evaluation assets of Aktoty and Kairan project in the amount of 74,255 million tenge and Jenis project in the amount of 40,244 million tenge (December 31, 2022: 8,895 million tenge of Southern Urikhtau project and 3,172 million tenge of Isatay project).

For 2023 in “*Refining and trading of crude oil and refined products*” net impairment charges were 100,809 million tenge, which mainly relate to the CGU KMGI in the amount of 97,636 million tenge (December 31, 2022: no impairment loss was recognized).

Headroom of the majority of oil and refining assets are sensitive to changes in price or other assumptions. The changes within next financial periods may result in recoverable amount of these assets above or below the current carrying amounts and therefore there is a risk of impairment reversals or charges in those periods.

**Oil and gas reserves**

Oil and gas reserves are a material factor in the Group’s computation of depreciation, depletion and amortization expenses. The Group estimates its oil and gas reserves in accordance with the methodology of the Society of Petroleum Engineers (SPE). In estimating its reserves under SPE methodology, the Group uses long-term planning prices. Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. Management believes that long-term planning price assumptions, which are also used by management for their business planning and investment decisions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves.

All reserve estimates involve some degree of uncertainty. The uncertainty depends mainly on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of this data.

The relative degree of uncertainty can be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Proved reserves are more certain to be recovered than unproved reserves and may be further sub-classified as developed and undeveloped to denote progressively increasing uncertainty in their recoverability.

Estimates are reviewed and revised annually. Revisions occur due to the evaluation or re-evaluation of already available geological, reservoir or production data, availability of new data, or changes to underlying price assumptions. Reserve estimates may also be revised due to improved recovery projects, changes in production capacity or changes in development strategy. Proved developed reserves are used to calculate the unit of production rates for depreciation, depletion and amortization in relation to oil and gas production assets. The Group has included in proved reserves only those quantities that are expected to be produced during the initial subsoil use contract period. This is due to the uncertainties surrounding the outcome of such renewal procedures, since the renewal is ultimately at the discretion of the Government. An increase in the Group’s subsoil use contract periods and corresponding increase in reported reserves would generally lead to lower depreciation, depletion and amortization expense and could materially affect earnings. A reduction in proved developed reserves will increase depreciation, depletion and amortization expense (assuming constant production), reduce income and could also result in an immediate write-down of the property’s book value. Given the relatively small number of producing fields, it is possible that any changes in reserve estimates year on year could significantly affect prospective charges for depreciation, depletion and amortization.

Please refer *Note 16* for details on annual impairment test results.

**Recoverability of oil and gas assets, downstream, refining and other assets**

The Group assesses assets or CGU for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices, discount rates, future capital requirements, operating performance (including production and sales volumes) that are subject to risk and uncertainty. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered to be impaired and is written down to its recoverable amount. In assessing recoverable values, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)*****KMGI CGU, including goodwill***

As at December 31, 2023 and 2022, the Group performed its annual impairment tests for goodwill and downstream, refining and other assets due to existence of impairment indicators at the CGUs of KMGI. For the detailed discussion of KMGI CGU impairment test refer to *Note 16*.

***Pavlodar refinery, including goodwill***

As of December 31, 2023, and 2022 the Group has goodwill of 88,553 million tenge related to acquisition of Pavlodar refinery (*Note 20*). In December 2023 and 2022 the Group performed annual impairment test for the Pavlodar refinery goodwill. In assessing the recoverable amount, the fair value less the cost of sale was calculated, determined using a marketing scheme. The Group considered the forecast for oil tolling volumes, oil tolling tariffs, capital expenditures, among other factors, when reviewing for indicators of impairment. The recoverable amount is calculated using a discounted cash flow model. In 2023, the discount rate of 16.02% (2022: 12.86%) was calculated based on the pre-tax weighted average cost of capital. The inherent risk was included by applying an individual beta factor. The beta factor was estimated based on the publicly available market data. Forecasted cash flows till to 2032 were based on five-years business plan of Pavlodar refinery 2024-2028 (2022: 2023-2027 years), which assumes current management estimates on potential changes in operating and capital costs. As at December 31, 2023 and 2022 the recoverable amount of goodwill, which was determined based on value-in-use, exceeded its book value, as such no impairment of Pavlodar refinery goodwill was recognized.

***Sensitivity to changes in assumptions***

Results of the assessment of recoverable amount of Pavlodar refinery goodwill are sensitive to changes in key assumptions, in particular, assumptions related to changes in discount rate and target EBITDA in terminal period. Increase in discount rates by 1.0% to 17.02% (2022: 13.86%) and decrease of target EBITDA in terminal period by 1% would not result decrease of the recoverable amount of CGU Pavlodar refinery to its carrying value.

***Other CGUs***

Revision to the Group's commodity price and other assumptions have not resulted in impairment charges in any other CGUs of the *Refining and trading of crude oil and refined products segment*.

**Assets retirement obligations*****Oil and gas production facilities***

Under the terms of certain subsoil use contracts, legislation and regulations the Group has legal obligations to dismantle and remove tangible assets and restore the land at each production site. Specifically, the Group's obligation relates to the ongoing closure of all non-producing wells and final closure activities such as removal of pipes, buildings and recultivation of the contract territories, and also obligations to dismantle and remove tangible assets and restore territory at each production site. Since the subsoil use contract terms cannot be extended at the discretion of the Group, the settlement date of the final closure obligations has been assumed to be the end of each subsoil use contract period. The extent of the Group's obligations to finance the abandonment of wells and for final closure costs depends on the terms of the respective subsoil use contracts and current legislation.

Where neither subsoil use contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the subsoil use contract term, no liability has been recognized. There is some uncertainty and significant judgment involved in making such a determination. Management's assessment of the presence or absence of such obligations could change with shifts in policies and practices of the Government or in the local industry practice.

The Group calculates asset retirement obligations separately for each contract. The amount of the obligation is the present value of the estimated expenditures expected to be required to settle the obligation adjusted for expected inflation and discounted using average long-term risk-free interest rates for emerging market sovereign debt adjusted for risks specific to the Kazakhstan market.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Assets retirement obligations (continued)***Oil and gas production facilities (continued)*

At each reporting date the Group reviews site restoration provisions, and adjusts them to reflect the current best estimate in accordance with IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

Estimating the future closure costs involves significant estimates and judgments by management. Most of these obligations are many years in the future and, in addition to ambiguities in the legal requirements, the Group's estimate can be affected by changes in asset removal technologies, costs and industry practice. The Group estimates future well abandonment cost using current year prices and the average long-term inflation rate.

The long-term inflation and discount rates used to determine the obligation in the consolidated statement of financial position across the Group entities at December 31, 2023 were in the range from 2.03% to 14.54% and from 6.20% to 11.37%, respectively (December 31, 2022: from 2.09% to 15.05% and from 6.42% to 12.38%, respectively). As at December 31, 2023 the carrying amounts of the Group's asset retirement obligations relating to decommissioning of oil and gas facilities were 123,785 million tenge (December 31, 2022: 88,207 million tenge) (*Note 30*).

*Major oil and gas pipelines*

According to the Law of the RK *On Major Pipelines* which was made effective on July 4, 2012 KazTransOil JSC (further KTO) has legal obligation to decommission its major oil pipelines at the end of their operating life and to restore the land to its original condition. Asset retirement obligation is calculated based on estimate of the work to decommission and rehabilitate. As at December 31, 2023, the carrying values of the Group's asset retirement obligations relating to decommissioning of pipelines and land were 45,649 million tenge (December 31, 2022: 40,665 million tenge) (*Note 30*).

**Environmental remediation obligations provision**

The enforcement of environmental regulation in Kazakhstan is evolving and subject to ongoing changes. In accordance with the amendments to the Environmental Code of the RK effective from July 1, 2021, the management believes that there are possible liabilities that may have an impact on the Group's financial position and results of operations.

At the date of issuance of the consolidated financial statements the Group has analysed the changes and, accordingly, estimated the amount of additional potential liabilities related to the asset retirement and land recultivation. As at December 31, 2023, the carrying amount of the Group's assets retirement obligations were in total amount of 39,271 million, which is equal to the present value of future cash outflows (*Note 36*).

The Group continues to monitor this matter and will adjust for new facts and circumstances, and any clarification provided by the State body in regards to the application of the Environmental Code of the RK.

The Group also makes judgments and estimates in establishing provisions for environmental remediation obligations. Environmental expenditures are capitalized or expensed depending upon their future economic benefit. Expenditures that relate to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Liabilities are determined based on current information about costs and expected plans for remediation and are recorded on discounted basis. The Group's environmental remediation provision represents management best estimate based on an independent assessment of the anticipated expenditure necessary for the Group to remain in compliance with the current regulatory regime in Kazakhstan and Europe. The Group has classified this obligation as non-current except for the portion of costs, included in the annual budget for 2024. For environmental remediation provisions, actual costs can differ from estimates because of changes in laws and regulations, public expectations, discovery and analysis of site conditions and changes in clean-up technology. Movements in the provision for environmental remediation obligations are disclosed in *Note 30*.

**Employee benefits**

The cost of defined long-term employee benefits payable before, on and after retirement and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Taxation**

In assessing tax risks, management considers to be probable obligations the known areas of tax positions which the Group would not appeal or does not believe it could successfully appeal, if assessed by tax authorities. Such determinations inherently involve significant judgment and are subject to change as a result of changes in tax laws and regulations, amendments to the taxation terms of the Group's subsoil use contracts, the determination of expected outcomes from pending tax proceedings and current outcome of ongoing compliance audits by tax authorities. The provision for tax risks other than on income tax are disclosed under provisions for taxes in *Note 30*. Contingent liabilities for tax risks other than on income tax are disclosed in *Note 36*. Provisions and contingent liabilities related to income tax are included or disclosed as income tax liabilities or contingencies (see *Note 33 and 36*).

**Useful lives of property, plant and equipment**

The Group assesses the remaining useful lives of items of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for prospectively as a change in an accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**Fair value of financial instruments**

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments presented in the consolidated financial statements. Further details are disclosed in *Note 35*.

**5. LOSS OF CONTROL****KALAMKAS-KHAZAR OPERATING LLP (further KKO)**

On February 9, 2023, the Company and Lukoil PJSC signed a purchase and sale agreement for a 50% share of KKO, subsidiary of the Company, holder of a contract for the production of hydrocarbons at the Kalamkas-Sea, Khazar and Auezov subsoil blocks located in the Kazakhstani sector of the Caspian Sea. On September 11, 2023, KKO was re-registered after the parties fulfilled the suspensive conditions of a purchase and sale agreement. As a result of the transaction, the Group lost control over KKO.

The sale price of a 50% share was 200 million US dollars (equivalent to 93,258 million tenge at the date of disposal of subsidiary). According to the terms of the sale and purchase agreement, the sale price may be adjusted by 100 million US dollars if certain conditions are met (further the Additional consideration). The Group recognized this Additional consideration as a financial asset measured at fair value through profit or loss in the amount of 29 million US dollars (equivalent to 14,154 million tenge) within other non-current financial assets in the consolidated statement of the financial position.

On September 21, 2023, Lukoil PJSC made payment of cash consideration in the amount of 200 million US dollars (equivalent to 94,644 million tenge at the date of payment).

The investment retained in the former subsidiary is an investment to a joint venture accounted for using the equity method and its fair value is 93,258 million tenge.

The results of KKO for the period from January 1, 2023 through the date of loss of control are presented below:

| <i>In millions of tenge</i>         | <b>January 1, 2023 –<br/>September 11, 2023</b> |
|-------------------------------------|-------------------------------------------------|
| Finance income                      | 7                                               |
| General and administrative expenses | (108)                                           |
| Finance costs                       | (33)                                            |
| Net foreign exchange loss           | (98)                                            |
| Income tax expenses                 | (1)                                             |
| <b>Loss for the period</b>          | <b>(233)</b>                                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)****KALAMKAS-KHAZAR OPERATING LLP (further KKO) (continued)**

The net cash flows incurred by KKO for the period from January 1, 2023 through the date of loss of control are as follows:

| <i>In millions of tenge</i>                      | <b>January 1, 2023 –<br/>September 11, 2023</b> |
|--------------------------------------------------|-------------------------------------------------|
| Operating                                        | (102)                                           |
| Investing                                        | (16,937)                                        |
| Financing                                        | 17,059                                          |
| <b>Net increase in cash and cash equivalents</b> | <b>20</b>                                       |

At the date of loss of control net assets of KKO were as follows:

| <i>In millions of tenge</i>                                                      | <b>Net assets at the<br/>date of loss of<br/>control</b> |
|----------------------------------------------------------------------------------|----------------------------------------------------------|
| <b>Assets</b>                                                                    |                                                          |
| Property, plant and equipment (Note 18)                                          | 5,185                                                    |
| Exploration and evaluation assets (Note 19)                                      | 14,678                                                   |
| Cash and cash equivalents                                                        | 20                                                       |
| Other assets                                                                     | 626                                                      |
| <b>Total assets</b>                                                              | <b>20,509</b>                                            |
| <b>Liabilities</b>                                                               |                                                          |
| Borrowings                                                                       | 2,511                                                    |
| Trade accounts payable                                                           | 3,548                                                    |
| Other liabilities                                                                | 5                                                        |
| <b>Total liabilities</b>                                                         | <b>6,064</b>                                             |
| <b>Net assets directly associated with the disposal group</b>                    | <b>14,445</b>                                            |
| Cash consideration received at the date of disposal of subsidiary                | 93,258                                                   |
| Fair value of the Additional consideration at the date of disposal of subsidiary | 14,154                                                   |
| Fair value of 50% retained interest in a joint venture (Note 22)*                | 93,258                                                   |
| <b>Gain from disposal of subsidiary</b>                                          | <b>186,225</b>                                           |

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of KKO.

**PSA LLP (further PSA)**

On December 20, 2022, the Company transferred to Corporate fund Samruk-Kazyna Trust 100% interest in PSA for 1 tenge. As a result, the Group lost control over PSA.

The results of PSA for the period ended December 20, 2022 are presented below:

| <i>In millions of tenge</i>         | <b>January 1, 2022 –<br/>December 20, 2022</b> |
|-------------------------------------|------------------------------------------------|
| General and administrative expenses | (8,950)                                        |
| Finance costs                       | (58)                                           |
| Net foreign exchange loss           | (39)                                           |
| <b>Loss for the period</b>          | <b>(9,047)</b>                                 |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)****PSA LLP (further PSA) (continued)**

The net cash flows incurred by PSA period ended December 20, 2022 are as follows:

| <i>In millions of tenge</i>                      | <b>January 1, 2022 –<br/>December 20, 2022</b> |
|--------------------------------------------------|------------------------------------------------|
| Operating                                        | (7,702)                                        |
| Investing                                        | (28)                                           |
| Financing                                        | 11,871                                         |
| <b>Net increase in cash and cash equivalents</b> | <b>4,108</b>                                   |

At the date of loss of control net assets of PSA were as follows:

| <i>In millions of tenge</i>                               | <b>Net assets at the<br/>date of loss of<br/>control</b> |
|-----------------------------------------------------------|----------------------------------------------------------|
| <b>Assets</b>                                             |                                                          |
| Property, plant and equipment                             | 36                                                       |
| Intangible assets                                         | 64                                                       |
| Right-of-use assets                                       | 255                                                      |
| VAT receivable                                            | 12                                                       |
| Other current assets                                      | 109                                                      |
| Cash and cash equivalents                                 | 4,137                                                    |
| <b>Total assets</b>                                       | <b>4,613</b>                                             |
| <b>Liabilities</b>                                        |                                                          |
| Lease liabilities                                         | 286                                                      |
| Trade accounts payable                                    | 1,736                                                    |
| Other current liabilities                                 | 709                                                      |
| <b>Total liabilities</b>                                  | <b>2,731</b>                                             |
| <b>Net assets directly associated with disposal group</b> | <b>1,882</b>                                             |

Since the transfer of PSA was carried out pursuant to the instructions of Samruk-Kazyna, the difference between the sale price and the carrying amount of net assets of PSA at the date of loss of control was recorded as transactions with Samruk-Kazyna and presented in the line «Other distributions» in consolidated statement of changes in equity.

**6. BUSINESS COMBINATION****Acquisition of Dunga Operating GmbH**

On October 9, 2023 KMG signed a purchase agreement with TOTALENERGIES EP DENMARK A/S for the acquisition of a 100% of the shares of Total E&P Dunga GmbH (renamed to Dunga Operating GmbH in December 2023), engaged in the exploration and production of crude oil and natural gas. The base consideration comprises of 358.5 million US dollars (equivalent to 165,913 million tenge). The agreement contains certain closing conditions precedent, which were met on October 30, 2023 and on November 20, 2023, the transaction was completed after the re-registration of Dunga Operating GmbH shares to KMG. KMG has obtained control over Dunga Operating GmbH, a subsidiary, increasing the KMG share in the hydrocarbon resource base and production of the crude oil and natural gas on the RK market.

The Group assessed the fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at provisional amounts being the fair value of the consideration given of 358.5 million US dollars (equivalent to 165,913 million tenge). The initial accounting for the business combination has not been completed. In accordance with *IFRS 3 Business Combinations* the valuation of property, plant and equipment will be completed and accounted for within 12 months from the date of acquisition.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6. BUSINESS COMBINATION (continued)****Acquisition of Dunga Operating GmbH (continued)**

The provisional fair values of the identifiable assets and liabilities of *Dunga Operating GmbH* as at the date of acquisition are as presented below:

| <i>In millions of tenge</i>                                          | <b>At the date of acquisition</b> |
|----------------------------------------------------------------------|-----------------------------------|
| <b>Assets</b>                                                        |                                   |
| <b>Non-current assets</b>                                            |                                   |
| Property, plant and equipment (Note 18)                              | 192,313                           |
| Intangible assets (Note 20)                                          | 7,005                             |
| Long-term bank deposits                                              | 5,413                             |
| <b>Current assets</b>                                                |                                   |
| Inventories                                                          | 6,607                             |
| Trade accounts receivable                                            | 9,426                             |
| Income tax prepaid                                                   | 2,316                             |
| Other current non-financial assets                                   | 7,792                             |
| Other current financial assets                                       | 58                                |
| Cash and cash equivalents                                            | 7,961                             |
| <b>Total assets</b>                                                  | <b>238,891</b>                    |
| <b>Non-current liabilities</b>                                       |                                   |
| Provisions (Note 30)                                                 | 4,346                             |
| Deferred income tax liabilities (Note 33)                            | 55,196                            |
| <b>Current liabilities</b>                                           |                                   |
| Trade accounts payable                                               | 11,881                            |
| Other current financial liabilities                                  | 1,555                             |
| <b>Total liabilities</b>                                             | <b>72,978</b>                     |
| <b>Total identifiable net assets at provisional fair values</b>      | <b>165,913</b>                    |
| <b>Purchase consideration transferred, including withholding tax</b> | <b>165,913</b>                    |

The business of Dunga Operating GmbH is represented in the Group's *Exploration and production of oil and gas* segment in these consolidated financial statements.

The acquisition date fair value of the trade accounts receivable amounts to 9,426 million tenge, that is the gross amount of trade accounts receivable. It is expected that the full contractual amounts can be collected.

**7. ACQUISITIONS UNDER COMMON CONTROL****Acquisition of subsidiary under common control***Polimer Production LLP (further Polimer)*

In December 2023, the Company acquired 99.9% and 0.1% interest in Polimer from Samruk-Kazyna Ondeu LLP (further SKO), subsidiary of Samruk-Kazyna, and JSC UK MEZ HimPark Taraz, the third party, for consideration of 1,520 million tenge not yet paid as at December 31, 2023.

The Group has control over Polimer and recognized Polimer as a subsidiary. The acquisition accounted for as an acquisition of the subsidiary from the parties under common control and accounted for under the pooling of interest method based on the carrying value of assets and liabilities of Polimer based on Predecessor's accounting books. Comparative consolidated financial position as at December 31, 2022, consolidated statement of comprehensive income for the year ended December 31, 2022 and consolidated statement of cash flows for the year ended December 31, 2022, as well as the related notes to the consolidated financial statements for the year ended December 31, 2022, were restated, as if the acquisition has occurred from the beginning of the earliest period presented.

The difference between the consideration and net assets of Polimer was recognized in equity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****7. ACQUISITIONS UNDER COMMON CONTROL (continued)****Acquisition of subsidiary under common control (continued)***Polimer Production LLP (further Polimer) (continued)*Impact on comparative data due to acquisition of *Polimer* is presented below:

| <i>In millions of tenge</i>                                                     | <b>As at December<br/>31, 2022</b> |
|---------------------------------------------------------------------------------|------------------------------------|
| <b>Impact on financial position:</b>                                            |                                    |
| <b>Increase in assets</b>                                                       |                                    |
| <b>Increase in non-current assets</b>                                           |                                    |
| Increase in property, plant and equipment                                       | 4,164                              |
| Increase in intangible assets                                                   | 8                                  |
|                                                                                 | <b>4,172</b>                       |
| <b>Increase in current assets</b>                                               |                                    |
| Increase in inventories                                                         | 1,339                              |
| Increase in trade accounts receivable                                           | 147                                |
| Increase in VAT receivable                                                      | 65                                 |
| Increase in other current non-financial assets                                  | 36                                 |
| Increase in cash and cash equivalents                                           | 368                                |
|                                                                                 | <b>1,955</b>                       |
| <b>Increase in total assets</b>                                                 | <b>6,127</b>                       |
| <b>Increase in non-current liabilities</b>                                      |                                    |
| Increase in borrowings                                                          | 9,006                              |
| Increase in provisions                                                          | 44                                 |
|                                                                                 | <b>9,050</b>                       |
| <b>Increase in current liabilities</b>                                          |                                    |
| Increase in trade accounts payable                                              | 186                                |
| Increase in borrowings                                                          | 2,046                              |
| Increase in provisions                                                          | 672                                |
| Increase in other taxes payable                                                 | 20                                 |
| Increase in other current financial liabilities                                 | 103                                |
| Increase in other current non-financial liabilities                             | 74                                 |
|                                                                                 | <b>3,101</b>                       |
| <b>Increase in total liabilities</b>                                            | <b>12,151</b>                      |
| <b>Decrease in equity</b>                                                       |                                    |
| Decrease in retained earnings                                                   | 6,024                              |
| <b>Decrease in equity, attributable to equity holders of the Parent Company</b> | <b>6,024</b>                       |
| <b>Decrease in total equity</b>                                                 | <b>6,024</b>                       |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****7. ACQUISITIONS UNDER COMMON CONTROL (continued)****Acquisition of subsidiary under common control (continued)***Polimer Production LLP (further Polimer) (continued)*

|                                                                    | <b>For the year<br/>ended<br/>December 31,<br/>2022</b> |
|--------------------------------------------------------------------|---------------------------------------------------------|
| <i>In millions of tenge</i>                                        |                                                         |
| <b>Impact on the results:</b>                                      |                                                         |
| <b>Revenue and other income</b>                                    |                                                         |
| Revenue from contracts with customers                              | 6,697                                                   |
| Finance income                                                     | 16                                                      |
| Other operating income                                             | 36                                                      |
| <b>Total revenue and other income</b>                              | <b>6,749</b>                                            |
| <b>Costs and expenses</b>                                          |                                                         |
| Cost of purchased oil, gas, petroleum products and other materials | (5,792)                                                 |
| Production expenses                                                | (1,853)                                                 |
| Taxes other than income tax                                        | (116)                                                   |
| Depreciation, depletion and amortization                           | (315)                                                   |
| Transportation and selling expenses                                | (12)                                                    |
| General and administrative expenses                                | (311)                                                   |
| Impairment of property, plant and equipment                        | (7,096)                                                 |
| Finance costs                                                      | (1,209)                                                 |
| Foreign exchange loss, net                                         | (836)                                                   |
| Other expenses                                                     | (838)                                                   |
| <b>Total costs and expenses</b>                                    | <b>(18,378)</b>                                         |
| <b>Loss before income tax</b>                                      | <b>(11,629)</b>                                         |
| Income tax expenses                                                | 870                                                     |
| <b>Loss for the year</b>                                           | <b>(10,759)</b>                                         |
| <b>Total comprehensive income for the year, net of tax</b>         | <b>(10,759)</b>                                         |
| <b>Net profit for the year attributable to:</b>                    |                                                         |
| Equity holders of the Parent Company                               | <b>(10,759)</b>                                         |
|                                                                    | <b>(10,759)</b>                                         |
| <b>Total comprehensive income attributable to:</b>                 |                                                         |
| Equity holders of the Parent Company                               | <b>(10,759)</b>                                         |
|                                                                    | <b>(10,759)</b>                                         |

The net cash flows effect for the year ended December 31, 2022 were as follows:

|                                                  | <b>2022 год</b> |
|--------------------------------------------------|-----------------|
| <i>In millions of tenge</i>                      |                 |
| Operating                                        | 4               |
| Investing                                        | (1)             |
| Financing                                        | 318             |
| <b>Net increase in cash and cash equivalents</b> | <b>317</b>      |

The business of Polimer represented in the Group's *Other* segment in these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**7. ACQUISITIONS UNDER COMMON CONTROL (continued)****Acquisition of subsidiary under common control (continued)***KMG Kashagan B.V. (further Kashagan)*

On October 16, 2015, Coöperatieve KazMunaiGaz U.A. (further Cooperative), a subsidiary of the Company, sold 50% of its shares in Kashagan to Samruk-Kazyna with a right to buy back all or part of the shares (further Option) effective from January 1, 2018 to December 31, 2020 which was later extended to December 31, 2022.

In 2017, the Amsterdam Court imposed certain restrictions on 50% of shares in Kashagan owned by Samruk-Kazyna (further Restrictions). During the Restrictions period, these shares of Kashagan cannot be sold, transferred or pledge. As of December 31, 2021 the Restrictions remained in force.

On June 14, 2022 the Amsterdam Court lifted the Restrictions.

On September 14, 2022 the Cooperative and Samruk-Kazyna signed an Amendment to Share Option Agreement and Exercise of Option (further Amendment Agreement), which set the exercise price of the Option in the amount of 3,781.7 million US dollars (equivalent to 1,777,076 million tenge presented in statement of changes in equity).

Amendment Agreement and Agreement on Transfer of Debt and Set-Off dated September 14, 2022 between the Company, Samruk-Kazyna and Cooperative determine the following way for consideration payment:

- The amount of 2,476.3 million US dollars to be converted at the agreed exchange rate of 475.00 tenge to 1 US dollar for subsequently setting off a part of the amount against the provided financial aid from the Company to Samruk-Kazyna for 424,587 million tenge, and paying the rest of the amount by the Company from the proceeds of the sale of bonds for 751,631 million tenge (*Notes 28 and 34*);
- The amount of 566.7 million US dollars to be paid with 10 business days after the completion of the deal (paid as at December 31, 2022; equivalent to 271,032 million tenge per exchange rate at the date of payment);
- The amount of 375.1 million US dollars to be paid by December 31, 2022 (paid as at December 31, 2022; equivalent to 175,654 million tenge per exchange rate at the date of payment) and the amount of 363.6 million US dollars to be paid by June 30, 2023 (paid as at December 31, 2023: 163,770 million tenge per exchange rate at the date of payment) (*Notes 31 and 34*).

On September 15, 2022 the Group fulfilled conditions of the Amendment Agreement, completing the transaction, exercised the Option and 50% of Kashagan shares were re-registered in favor of Cooperative.

As a result of exercising the Option, the Group has control over Kashagan and recognized Kashagan as a subsidiary. The acquisition accounted for as an acquisition of the subsidiary from the parties under common control and accounted for under the pooling of interest method based on the carrying value of assets and liabilities of Kashagan based on Predecessor's accounting books.

The difference between the consideration and net assets of Kashagan was recognized in equity.

The business of Kashagan represented in the Group's *Exploration and production of oil and gas* segment in these consolidated financial statements.

Detailed information on acquisition of Kashagan is presented in the Group's annual consolidated financial statements for the year ended December 31, 2022.

**KLPE LLP (further - KLPE)**

On December 1, 2022, the Company acquired 100% interest in charter capital of KLPE for 2 tenge from SKO and Polimer. Primary activity of KLPE is the construction of the first integrated gas and chemical complex in Kazakhstan.

As a result of acquisition, the Group has control over KLPE and recognized KLPE as a subsidiary. The acquisition accounted for as an acquisition of the subsidiary from the parties under common control and accounted for under the pooling of interest method based on the carrying value of assets and liabilities of KLPE based on Predecessor's accounting books.

The difference between the transferred consideration and Kashagan's net assets was recognized in equity.

The business of KLPE represented in the Group's *Other* segment in these consolidated financial statements.

Detailed information on acquisition of KLPE is presented in the Group's annual consolidated financial statements for the year ended December 31, 2022.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****7. ACQUISITIONS UNDER COMMON CONTROL (continued)****Acquisition of joint venture under common control***Kazakhstan Petrochemical Industries Inc. LLP (further KPI)*

On June 13, 2022, Samruk-Kazyna transferred 49.50% of the shares KPI to the Company. The cost of the acquisition was 91,175 million tenge and was paid by setting off a part of the amount against the provided financial aid from the Company to Samruk- Kazyna (Note 25). KPI is engaged in the implementation of the investment project “Construction of the first integrated petrochemical complex in Atyrau region”.

49.50% interest in KPI was accounted for as an acquisition of the joint venture from the parties under common control and accounted for under the pooling of interest method based on its carrying value. Samruk-Kazyna Odeu LLP (further SKO), subsidiary of Samruk-Kazyna, and the Company have joint control over the KPI where decisions about the relevant activities of KPI require unanimous consent.

The difference between the consideration paid and carrying value of identifiable assets and liabilities of KPI at the date of acquisition was recognized as distribution to Samruk-Kazyna and presented in the line «*Acquisition of joint ventures*» in consolidated statement of changes in equity.

Detailed information on acquisition of KPI is presented in the Group’s annual consolidated financial statements for the year ended December 31, 2022.

**8. ACQUISITION OF JOINT VENTURE***PETROSUN LLP (further Petrosun)*

On July 1, 2022, in accordance with the minutes of the meeting of the Commission under the chairmanship of the Prime-Minister of RK for the demonopolization of the economy, namely the market of fuels and lubricants, the Company acquired 49% interest in Petrosun, that specializes in the sale of liquefied petroleum gas and petroleum products. The acquisition price was 1 tenge. The difference between the consideration paid and the fair value of identifiable assets and liabilities of Petrosun at the date of acquisition was recognized as a contribution from Samruk-Kazyna based on instruction in minutes above and presented in the line «*Acquisition of joint ventures*» in consolidated statement of changes in equity in the amount of 10,989 million tenge (Note 27).

49% interest in Petrosun is recognized as a joint venture and accounts for using the equity method in accordance with IAS 28 *Investments in Associates and Joint Ventures*. CNPC INTERNATIONAL IN KAZAKHSTAN LLP (the second owner of Petrosun) and the Company have joint control over Petrosun where decisions about the relevant activities of Petrosun require the unanimous consent.

**9. REVENUE FROM CONTRACTS WITH CUSTOMERS**

| <i>In millions of tenge</i>          | <b>2023</b>      | <b>2022<br/>(restated)</b> |
|--------------------------------------|------------------|----------------------------|
| <b>Type of goods and services</b>    |                  |                            |
| Sales of crude oil and gas           | <b>4,628,125</b> | 4,593,971                  |
| Sales of refined products            | <b>2,848,921</b> | 3,369,860                  |
| Refining of oil and oil products     | <b>248,058</b>   | 204,390                    |
| Oil transportation services          | <b>226,142</b>   | 187,533                    |
| Other revenue                        | <b>368,297</b>   | 337,327                    |
|                                      | <b>8,319,543</b> | 8,693,081                  |
| <b>Geographical markets</b>          |                  |                            |
| Kazakhstan                           | <b>1,454,546</b> | 1,217,280                  |
| Other countries                      | <b>6,864,997</b> | 7,475,801                  |
|                                      | <b>8,319,543</b> | 8,693,081                  |
| <b>Timing of revenue recognition</b> |                  |                            |
| At a point in time                   | <b>8,121,191</b> | 8,510,294                  |
| Over time                            | <b>198,352</b>   | 182,787                    |
|                                      | <b>8,319,543</b> | 8,693,081                  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****10. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET**

| <i>In millions of tenge</i>            | <b>2023</b>     | <b>2022</b> |
|----------------------------------------|-----------------|-------------|
| <b>Joint ventures</b>                  |                 |             |
| Tengizchevroil LLP                     | <b>340,884</b>  | 742,660     |
| Petrosun                               | <b>46,567</b>   | 23,184      |
| Mangistau Investments B.V. Group (MMG) | <b>38,255</b>   | 48,486      |
| KazRosGas LLP                          | <b>32,324</b>   | 554         |
| KazGerMunay LLP                        | <b>20,983</b>   | 20,530      |
| Kazakhstan-China Pipeline LLP          | <b>18,720</b>   | 16,783      |
| Valsera Holdings B.V. Group (PKOP)     | <b>17,296</b>   | 21,009      |
| Teniz Service LLP                      | <b>116</b>      | (6,497)     |
| Kazakhoil-Aktobe LLP                   | <b>(1,869)</b>  | 12,648      |
| KPI                                    | <b>(12,339)</b> | (18,227)    |
| Ural Group Limited                     | <b>(47,006)</b> | (11,470)    |
| Other                                  | <b>3,896</b>    | 4,234       |
|                                        | <b>457,827</b>  | 853,894     |
| <b>Associates</b>                      |                 |             |
| Caspian Pipeline Consortium            | <b>64,358</b>   | 117,763     |
| PetroKazakhstan Inc.                   | <b>4,889</b>    | 6,502       |
| Other                                  | <b>7,103</b>    | 13,151      |
|                                        | <b>76,350</b>   | 137,416     |
|                                        | <b>534,177</b>  | 991,310     |

**11. COST OF PURCHASED OIL, GAS, PETROLEUM PRODUCTS AND OTHER MATERIALS**

| <i>In millions of tenge</i>             | <b>2023</b>      | <b>2022</b><br>(restated) |
|-----------------------------------------|------------------|---------------------------|
| Purchased oil for resale                | <b>3,402,819</b> | 3,620,699                 |
| Cost of oil for refining                | <b>687,792</b>   | 765,164                   |
| Materials and supplies                  | <b>416,851</b>   | 421,601                   |
| Purchased petroleum products for resale | <b>90,108</b>    | 87,644                    |
| Purchased gas for resale                | <b>24,311</b>    | 65,068                    |
|                                         | <b>4,621,881</b> | 4,960,176                 |

**12. PRODUCTION EXPENSES**

| <i>In millions of tenge</i>                                      | <b>2023</b>      | <b>2022</b><br>(restated) |
|------------------------------------------------------------------|------------------|---------------------------|
| Payroll                                                          | <b>510,927</b>   | 434,520                   |
| Repair and maintenance                                           | <b>212,500</b>   | 190,592                   |
| Realized losses from derivatives on petroleum products (Note 31) | <b>(69)</b>      | 121,539                   |
| Energy                                                           | <b>117,957</b>   | 119,381                   |
| Short-term lease expenses                                        | <b>102,385</b>   | 78,568                    |
| Transportation costs                                             | <b>123,310</b>   | 31,017                    |
| Environmental protection                                         | <b>17,930</b>    | 21,461                    |
| Write-off of inventories to net realizable value                 | <b>1,590</b>     | 19,473                    |
| Others                                                           | <b>133,192</b>   | 127,690                   |
|                                                                  | <b>1,219,722</b> | 1,144,241                 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****13. TAXES OTHER THAN INCOME TAX**

| <i>In millions of tenge</i>  | <b>2023</b>    | <b>2022</b><br>(restated) |
|------------------------------|----------------|---------------------------|
| Mineral extraction tax       | <b>142,900</b> | 163,334                   |
| Rent tax on crude oil export | <b>138,986</b> | 215,765                   |
| Export customs duty          | <b>113,248</b> | 131,732                   |
| Excise                       | <b>112,320</b> | 90,012                    |
| Social tax                   | <b>44,863</b>  | 38,195                    |
| Property tax                 | <b>31,505</b>  | 29,221                    |
| Other taxes                  | <b>10,258</b>  | 9,662                     |
|                              | <b>594,080</b> | 677,921                   |

**14. TRANSPORTATION AND SELLING EXPENSES**

| <i>In millions of tenge</i> | <b>2023</b>    | <b>2022</b><br>(restated) |
|-----------------------------|----------------|---------------------------|
| Transportation              | <b>184,940</b> | 153,403                   |
| Payroll                     | <b>19,990</b>  | 16,591                    |
| Other                       | <b>40,595</b>  | 35,358                    |
|                             | <b>245,525</b> | 205,352                   |

**15. GENERAL AND ADMINISTRATIVE EXPENSES**

| <i>In millions of tenge</i>                                                                          | <b>2023</b>    | <b>2022</b><br>(restated) |
|------------------------------------------------------------------------------------------------------|----------------|---------------------------|
| Payroll                                                                                              | <b>80,672</b>  | 77,854                    |
| Consulting services                                                                                  | <b>17,828</b>  | 20,678                    |
| Maintenance                                                                                          | <b>6,845</b>   | 6,148                     |
| Social payments                                                                                      | <b>6,037</b>   | 5,829                     |
| Accrual of expected credit losses for trade receivables and other current financial assets (Note 24) | <b>8,691</b>   | 2,876                     |
| VAT non-recoverable                                                                                  | <b>5,811</b>   | 2,582                     |
| Communication                                                                                        | <b>2,080</b>   | 1,864                     |
| Allowance for fines, penalties and tax provisions                                                    | <b>169</b>     | 605                       |
| Accrual of impairment of other current non-financial assets (Note 24)                                | <b>3,204</b>   | 28                        |
| Reversal of impairment of VAT receivable                                                             | <b>(282)</b>   | (1,942)                   |
| Other                                                                                                | <b>46,737</b>  | 43,957                    |
|                                                                                                      | <b>177,792</b> | 160,479                   |

For the year ended December 31, 2023, the total payroll amounted to 611,589 million tenge (2022: 528,965 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in the consolidated statement of comprehensive income.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****16. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES**

| <i>In millions of tenge</i>                                      | <b>2023</b>    | <b>2022<br/>(restated)</b> |
|------------------------------------------------------------------|----------------|----------------------------|
| <b>Impairment charge and reversal</b>                            |                |                            |
| Property, plant and equipment (Note 18)                          | <b>101,782</b> | 7,658                      |
| Intangible assets (Note 20)                                      | <b>483</b>     | 139                        |
| Investment property                                              | <b>–</b>       | 7                          |
|                                                                  | <b>102,265</b> | 7,804                      |
| <b>Exploration expenses (impairment and write-off) (Note 19)</b> |                |                            |
| Kairan and Aktoty                                                | <b>74,255</b>  | –                          |
| Jenis                                                            | <b>40,244</b>  | –                          |
| Liman project                                                    | <b>8,847</b>   | –                          |
| Urikhtay project                                                 | <b>4,876</b>   | 8,895                      |
| Isatay project                                                   | <b>93</b>      | 3,172                      |
| Others                                                           | <b>–</b>       | 46                         |
|                                                                  | <b>128,315</b> | 12,113                     |
|                                                                  | <b>230,580</b> | 19,917                     |

Impairment was recognized for the following CGUs:

| <i>In millions of tenge</i> | <b>2023</b>    | <b>2022<br/>(restated)</b> |
|-----------------------------|----------------|----------------------------|
| CGUs of KMGI                | <b>97,636</b>  | –                          |
| Others                      | <b>4,629</b>   | 7,804                      |
|                             | <b>102,265</b> | 7,804                      |

**Impairment of property, plant and equipment****KMG International N.V. (further KMGI) CGU**

For the year ended December 31, 2023, the Group performed its impairment tests for goodwill and downstream, refining and other assets due to existence of impairment indicators at the CGUs of KMGI: CGU Refining, CGU Petrochemicals and CGU Downstream. As the result of the impairment test, recoverable amount of KMGI CGUs were lower than its carrying values. The total impairment loss for the analyzed KMGI's CGUs was 94,962 million tenge, of which CGU Refining was estimated at 80,761 million tenge, for CGU Petrochemicals at 340 million tenge and for CGU Downstream at 13,861 million tenge.

The main impairment indicators have been i) the increased oil & gas market refining margins volatility and decreased market demand in the context of strict decarbonization regulations and geopolitical instability, ii) lack of a long-term decarbonization plan of KMGI, iii) the change in the tax environment in Romania, in particular the introduction at the end of 2023 of a turnover tax in the oil and gas sector in the amount of 0.5%, starting from 2024 to 2025, and further 1% or more depending on the turnover of enterprises.

The Group considered forecasted refining margins and production volumes, among other factors, when analyzing the impairment indicators. The recoverable amount of KMGI CGU Refining was determined based on fair value less costs of disposal (FVLCD), which was calculated using the discounted cash flow method. The key assumptions used in the FVLCD calculations for the CGU were operating profit, including the assumption that KMGI will be able to recover, through an increase in the final selling price, the costs of turnover tax from 2026, discount rates and growth rate used to extrapolate cash flows beyond the budgeted period.

In addition, KMGI applied the assumption that introduced in 2024 an additional tax burden on KMGI turnover will be recovered by a phased increase in the price for the final users.

**Refining and Petrochemicals CGU of KMGI**

The discount rate applied to cash flow projections for Refining and Petrochemicals CGU was 11.60% (2022: 12.10%) and cash flows beyond the 5-year period were extrapolated using negative 1.50% (2022: positive 2.10%) growth rate, for 2023 is the average annual growth rate during 2028-2051 for market refinery margins estimated by Platts-PIRA available as at valuation date. The capitalization rate used for residual values was 13.10% (2022:10.00%).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**16. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES (continued)****Impairment of property, plant and equipment (continued)*****KMG International N.V. (further KMGI) CGU (continued)****Downstream CGU of KMGI*

The discount rate applied to cash flow projections for Downstream CGU was 11.60% (2022: 12.10%) and cash flows beyond the 5-year period were extrapolated using negative 0.40% (2022: positive 2.10%) perpetuity growth rate, taking into account expected market demand during 2029-2051 from the latest market studies available as at valuation date (Wood Mackenzie) and the long term inflation rate for USD as per PWC report Global Economy Watch Projections, issued in July 2023. The capitalization rate used for residual values was 11.20% (2022: 10.00%).

*Sensitivity to changes in assumptions for CGU Refinery*

The additional impairment charges of 25,595 million tenge will occur if the discount rate increases by more than 1% to 12.6%, should the volumes decrease by more than 2.0% an additional impairment charge will be 41,869 million tenge and contribution margin decrease by more than 2.0% an additional impairment charge will be 28,831 million tenge or perpetuity growth rate decrease by more than 1.50% an additional impairment charge will be 28,168 million tenge.

The additional impairment charges of 51,858 million tenge will occur if the additional tax burden is not recovered in the form of a turnover tax by increasing the price for the final users.

*Sensitivity to changes in assumptions for CGU Downstream*

The additional impairment charges of 18,705 million tenge will occur if the discount rate increases by more than 1.0%, should the volumes decrease by more than 2.0% an additional impairment charge will be 14,721 million tenge and gross margin decrease by more than 2.0% an additional impairment charge will be 20,318 million tenge or perpetuity growth rate decrease by more than 1.50% an additional impairment charge will be 20,076 million tenge.

*Sensitivity to changes in assumptions for CGU Petrochemicals*

The additional impairment charges of 788 million tenge will occur if the discount rate increases by more than 1.0%, should the volumes decrease by more than 1.50% an additional impairment charge will be 1,422 million tenge and contribution margin decrease by more than 1.50% an additional impairment charge will be 1,320 million tenge or perpetuity growth rate decrease by more than 1.50% an additional impairment charge will be 638 million tenge.

In June 2023, an incident occurred at the Petromidia Refinery, a subsidiary of KMGI, which led to the temporary decommissioning of the Mild Hydrocracker installation. Petromidia Refinery conducted assessments to estimate the incident consequences and recognized impairment of property, plant and equipment for 2,674 million tenge.

***Exploration expenses***

For the year ended December 31, 2023, the Group recognized impairment loss of 40,244 million tenge on exploration and evaluation assets relating to Jenis project due to negative drilling results (the absence of hydrocarbons in the well).

For the year ended December 31, 2023, the Group recognized impairment loss of 74,255 million tenge on exploration and evaluation assets relating to Kairan and Aktoty project, due to the notification of termination of the subsoil use right for the mentioned mining areas received from the Ministry of Energy of RK.

For the year ended December 31, 2023, the Group has recognized impairment of exploration and evaluation assets in the amount of 4,876 million tenge of the Urikhtay, due to the expiration of the Contract for the use of Devonian sediments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****17. FINANCE INCOME / FINANCE COST****Finance income**

| <i>In millions of tenge</i>                                          | <b>2023</b>    | <b>2022<br/>(restated)</b> |
|----------------------------------------------------------------------|----------------|----------------------------|
| Interest income on bank deposits, financial assets, loans and bonds  | <b>139,105</b> | 115,492                    |
| Amortization of issued financial guarantees                          | <b>344</b>     | –                          |
| <b>Total interest income</b>                                         | <b>139,449</b> | 115,492                    |
| Derecognition of loan (Note 28)                                      | <b>4,377</b>   | –                          |
| Revaluation of financial assets at fair value through profit or loss | <b>827</b>     | 895                        |
| Other                                                                | <b>2,592</b>   | 4,216                      |
|                                                                      | <b>147,245</b> | 120,603                    |

**Finance costs**

| <i>In millions of tenge</i>                                                                                        | <b>2023</b>    | <b>2022<br/>(restated)</b> |
|--------------------------------------------------------------------------------------------------------------------|----------------|----------------------------|
| Interest expense on loans and bonds                                                                                | <b>271,785</b> | 259,344                    |
| Interest expense on lease liabilities (Note 29)                                                                    | <b>7,420</b>   | 4,188                      |
| Unwinding of discount on payables to Samruk-Kazyna for exercising the Option (Note 31)                             | <b>3,256</b>   | 3,929                      |
| Commission for the early redemption of the loan (Note 28)                                                          | <b>–</b>       | 4,498                      |
| <b>Total interest expense</b>                                                                                      | <b>282,461</b> | 271,959                    |
| Unwinding of discount on asset retirement obligations, for environmental obligation and other provisions (Note 30) | <b>13,398</b>  | 17,947                     |
| Unwinding of discount on employee benefits obligations                                                             | <b>7,157</b>   | 4,723                      |
| Other                                                                                                              | <b>19,057</b>  | 13,426                     |
|                                                                                                                    | <b>322,073</b> | 308,055                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****18. PROPERTY, PLANT AND EQUIPMENT**

| <i>In millions of tenge</i>                                   | <b>Oil and<br/>gas<br/>assets</b> | <b>Pipelines</b> | <b>Refinery<br/>assets</b> | <b>Buildings<br/>and<br/>improve-<br/>ments</b> | <b>Machinery<br/>and<br/>equip-<br/>ment</b> | <b>Vehicles</b> | <b>Other</b>   | <b>Capital<br/>work in<br/>progress</b> | <b>Total</b>     |
|---------------------------------------------------------------|-----------------------------------|------------------|----------------------------|-------------------------------------------------|----------------------------------------------|-----------------|----------------|-----------------------------------------|------------------|
| <b>Net book value as at<br/>December 31, 2021 (restated)</b>  | 4,428,347                         | 262,717          | 1,121,420                  | 216,879                                         | 245,626                                      | 75,225          | 109,198        | 278,019                                 | 6,737,431        |
| Foreign currency translation                                  | 275,403                           | 1,760            | 21,162                     | 6,698                                           | 3,925                                        | 2,490           | 5,491          | 9,300                                   | 326,229          |
| Change in estimate                                            | (105,568)                         | (7,609)          | –                          | (3,405)                                         | –                                            | –               | –              | –                                       | (116,582)        |
| Additions                                                     | 84,069                            | 638              | 938                        | 18,964                                          | 9,956                                        | 5,743           | 876            | 384,227                                 | 505,411          |
| Disposals                                                     | (46,201)                          | (1,761)          | (3,295)                    | (948)                                           | (5,138)                                      | (4,810)         | (4,180)        | (863)                                   | (67,196)         |
| Loss of control over subsidiaries                             | –                                 | –                | –                          | –                                               | –                                            | –               | (36)           | –                                       | (36)             |
| Depreciation charge                                           | (262,374)                         | (13,821)         | (110,749)                  | (17,110)                                        | (27,077)                                     | (9,395)         | (10,503)       | –                                       | (451,029)        |
| Accumulated depreciation and impairment on<br>disposals       | 44,364                            | 1,651            | 2,901                      | 820                                             | 4,717                                        | 4,073           | 3,678          | 625                                     | 62,829           |
| Reversal of impairment/(impairment) (Note 16)                 | 909                               | 643              | (3,009)                    | (4,609)                                         | (4,941)                                      | (140)           | 4,487          | (998)                                   | (7,658)          |
| Transfers from assets classified as held for sale             | –                                 | –                | –                          | 324                                             | 5                                            | 11              | 68             | –                                       | 408              |
| Transfers from exploration and evaluation assets<br>(Note 19) | 3,253                             | –                | –                          | –                                               | –                                            | –               | –              | –                                       | 3,253            |
| Transfers from investment property                            | –                                 | –                | –                          | 2,073                                           | –                                            | –               | –              | –                                       | 2,073            |
| Other changes                                                 | (635)                             | (65)             | 11                         | –                                               | (784)                                        | –               | 279            | 62                                      | (1,132)          |
| Transfers                                                     | 176,668                           | 22,413           | 46,006                     | 15,779                                          | 41,763                                       | 1,343           | 5,732          | (309,704)                               | –                |
| <b>Net book value as at<br/>December 31, 2022 (restated)</b>  | 4,598,235                         | 266,566          | 1,075,385                  | 235,465                                         | 268,052                                      | 74,540          | 115,090        | 360,668                                 | 6,994,001        |
| At cost                                                       | 6,915,401                         | 412,952          | 2,765,873                  | 566,147                                         | 654,179                                      | 222,283         | 258,420        | 411,846                                 | 12,207,101       |
| Accumulated depreciation and impairment                       | (2,317,166)                       | (146,386)        | (1,690,488)                | (330,682)                                       | (386,127)                                    | (147,743)       | (143,330)      | (51,178)                                | (5,213,100)      |
| <b>Net book value as at<br/>December 31, 2022 (restated)</b>  | <b>4,598,235</b>                  | <b>266,566</b>   | <b>1,075,385</b>           | <b>235,465</b>                                  | <b>268,052</b>                               | <b>74,540</b>   | <b>115,090</b> | <b>360,668</b>                          | <b>6,994,001</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****18. PROPERTY, PLANT AND EQUIPMENT (continued)**

| <i>In millions of tenge</i>                                   | Oil and<br>gas assets | Pipelines      | Refinery<br>assets | Buildings<br>and<br>improve-<br>ments | Machinery<br>and equip-<br>ment | Vehicles      | Other          | Capital work<br>in progress | Total            |
|---------------------------------------------------------------|-----------------------|----------------|--------------------|---------------------------------------|---------------------------------|---------------|----------------|-----------------------------|------------------|
| <b>Net book value as at<br/>December 31, 2022 (restated)</b>  | <b>4,598,235</b>      | <b>266,566</b> | <b>1,075,385</b>   | <b>235,465</b>                        | <b>268,052</b>                  | <b>74,540</b> | <b>115,090</b> | <b>360,668</b>              | <b>6,994,001</b> |
| Business combination (Note 6)                                 | 170,276               |                |                    | 4,520                                 | 664                             | 67            | 447            | 16,339                      | 192,313          |
| Foreign currency translation                                  | (71,585)              | (749)          | (5,719)            | (2,769)                               | (525)                           | (494)         | (1,418)        | (3,864)                     | (87,123)         |
| Change in estimate                                            | 8,755                 | 793            | –                  | 365                                   | –                               | –             | –              | (1,572)                     | 8,341            |
| Additions                                                     | 52,199                | 2,042          | 63,802             | 3,527                                 | 6,308                           | 11,212        | 3,714          | 575,509                     | 718,313          |
| Disposals                                                     | (18,295)              | (559)          | (7,751)            | (1,566)                               | (3,641)                         | (2,533)       | (5,055)        | (3,473)                     | (42,873)         |
| Loss of control over subsidiaries<br>(Note 5)                 | –                     | –              | –                  | –                                     | –                               | –             | –              | (5,185)                     | (5,185)          |
| Depreciation charge                                           | (355,969)             | (10,666)       | (102,767)          | (15,290)                              | (26,001)                        | (11,145)      | (9,543)        | –                           | (531,381)        |
| Accumulated depreciation and<br>impairment on disposals       | 17,150                | 438            | 7,735              | 912                                   | 3,520                           | 2,508         | 4,763          | 1,641                       | 38,667           |
| (Impairment)/reversal of<br>impairment (Note 16)              |                       | (28)           | (83,187)           | (13,749)                              | (1,595)                         | (888)         | 149            | (2,484)                     | (101,782)        |
| Transfers from/(to) assets<br>classified as held for sale     | –                     | –              | –                  | 208                                   | –                               | (4)           | 2              | –                           | 206              |
| Transfers from exploration and<br>evaluation assets (Note 19) | 21                    | –              | –                  | –                                     | –                               | –             | –              | 19                          | 40               |
| Transfers to investment property                              | –                     | –              | (702)              | (1,742)                               | –                               | –             | –              | –                           | (2,444)          |
| Other changes                                                 | 16                    | (25)           | –                  | 133                                   | 44                              | (2)           | 19             | (72)                        | 113              |
| Transfers                                                     | 256,521               | 3,950          | 61,857             | 31,593                                | 128,416                         | 4,852         | 6,586          | (493,775)                   | –                |
| <b>Net book value as at<br/>December 31, 2023</b>             | <b>4,657,324</b>      | <b>261,762</b> | <b>1,008,653</b>   | <b>241,607</b>                        | <b>375,242</b>                  | <b>78,113</b> | <b>114,754</b> | <b>443,751</b>              | <b>7,181,206</b> |
| At cost                                                       | 7,523,664             | 417,598        | 2,856,817          | 610,240                               | 782,754                         | 234,741       | 261,453        | 513,875                     | 13,201,142       |
| Accumulated depreciation and<br>impairment                    | (2,866,340)           | (155,836)      | (1,848,164)        | (368,633)                             | (407,512)                       | (156,628)     | (146,699)      | (70,124)                    | (6,019,936)      |
| <b>Net book value as at<br/>December 31, 2023</b>             | <b>4,657,324</b>      | <b>261,762</b> | <b>1,008,653</b>   | <b>241,607</b>                        | <b>375,242</b>                  | <b>78,113</b> | <b>114,754</b> | <b>443,751</b>              | <b>7,181,206</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****18. PROPERTY, PLANT AND EQUIPMENT (continued)****Additions**

In 2023, additions were mainly attributable to development drilling at Ozenmunaigas JSC, Embamunaigas JSC, subsidiaries of KMG EP and KMG Karachaganak LLP for the total amount of 289,128 million tenge, replacement of the section of the pipelines "Uzen-Atyrau-Samara" and "Astrakhan-Mangyshlak" for a total of 174,799 million tenge in KazTransOil JSC.

**Other**

For the year ended December 31, 2023, the Group capitalized to the carrying amount of property, plant and equipment borrowing costs related to construction of 9,794 million tenge at the average capitalization rate of 10,78% (for the year ended December 31, 2022: 1,304 million tenge at the average capitalization rate of 4.40%).

As at December 31, 2023, the cost of fully depreciated but still in use property, plant and equipment was 370,497 million tenge (as at December 31, 2022: 384,815 million tenge).

As at December 31, 2023, property, plant and equipment with the net book value of 168,214 million tenge were mainly pledged as collateral to secure borrowings of the Group (as at December 31, 2022: 778,757 million tenge).

Capital commitments are disclosed in Note 36.

**19. EXPLORATION AND EVALUATION ASSETS**

| <i>In millions of tenge</i>                         | <b>Tangible</b> | <b>Intangible</b> | <b>Total</b> |
|-----------------------------------------------------|-----------------|-------------------|--------------|
| <b>Net book value as at December 31, 2021</b>       | 221,368         | 13,636            | 235,004      |
| Additions                                           | 17,417          | 510               | 17,927       |
| Foreign currency translation                        | 13,682          | –                 | 13,682       |
| Change in estimate                                  | 33              | –                 | 33           |
| Impairment (Note 16)                                | (10,418)        | (1,695)           | (12,113)     |
| Transfer to property, plant and equipment (Note 18) | (3,253)         | –                 | (3,253)      |
| Other changes                                       | 173             | (173)             | –            |
| <b>Net book value as at December 31, 2022</b>       | 239,002         | 12,278            | 251,280      |
| Additions                                           | 39,905          | 29,590            | 69,495       |
| Foreign currency translation                        | (3,378)         | –                 | (3,378)      |
| Transfer to property, plant and equipment (Note 18) | (40)            | –                 | (40)         |
| Impairment (Note 16)                                | (118,462)       | (9,853)           | (128,315)    |
| Loss of control over subsidiaries (Note 5)          | –               | (14,678)          | (14,678)     |
| Write-off                                           | (2)             | (175)             | (177)        |
| <b>Net book value as at December 31, 2023</b>       | 157,025         | 17,162            | 174,187      |

As at December 31, 2023 and 2022, the exploration and evaluation assets are represented by the following projects:

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-----------------------------|------------------------------|----------------------|
| North Caspian project       | 140,098                      | 206,007              |
| KMG Barlau                  | 14,346                       | –                    |
| Embamunaigas JSC            | 1,509                        | 14,084               |
| Zhenis                      | –                            | 18,310               |
| Urikhtau                    | –                            | 4,889                |
| Other                       | 18,234                       | 7,990                |
|                             | <b>174,187</b>               | 251,280              |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 20. INTANGIBLE ASSETS

| <i>In millions of tenge</i>                              | Licenses       | Subsoil use rights (under production) | Goodwill       | Marketing related intangible assets | Software      | Other         | Total          |
|----------------------------------------------------------|----------------|---------------------------------------|----------------|-------------------------------------|---------------|---------------|----------------|
| <b>Net book value as at December 31, 2021 (restated)</b> | 510,140        | 201,725                               | 99,849         | 25,467                              | 17,411        | 34,909        | 889,501        |
| Foreign currency translation                             | 36,280         | 14,389                                | 807            | 1,819                               | 351           | 1,916         | 55,562         |
| Additions                                                | 765            | 637                                   | –              | –                                   | 2,414         | 7,811         | 11,627         |
| Disposals                                                | (2,546)        | –                                     | –              | –                                   | (3,605)       | (516)         | (6,667)        |
| Amortization charge                                      | (23,284)       | (7,990)                               | –              | –                                   | (6,372)       | (1,245)       | (38,891)       |
| Accumulated amortization and impairment on disposals     | 2,271          | –                                     | –              | –                                   | 3,326         | 362           | 5,959          |
| Loss of control over subsidiaries                        | –              | –                                     | –              | –                                   | –             | (64)          | (64)           |
| Impairment (Note 16)                                     | –              | –                                     | –              | –                                   | –             | (139)         | (139)          |
| Other changes                                            | 274            | 669                                   | –              | –                                   | 425           | 5             | 1,373          |
| Transfers                                                | 801            | 2,790                                 | –              | –                                   | 4,304         | (7,895)       | –              |
| <b>Net book value as at December 31, 2022 (restated)</b> | 524,701        | 212,220                               | 100,656        | 27,286                              | 18,254        | 35,144        | 918,261        |
| Foreign currency translation                             | (9,038)        | (3,637)                               | (212)          | (477)                               | (165)         | (274)         | (13,803)       |
| Additions                                                | 148            | 68                                    | –              | –                                   | 1,056         | 14,457        | 15,729         |
| Disposals                                                | (699)          | –                                     | –              | –                                   | (1,198)       | (297)         | (2,194)        |
| Amortization charge                                      | (33,763)       | (11,004)                              | –              | –                                   | (6,239)       | (1,007)       | (52,013)       |
| Accumulated amortization and impairment on disposals     | 695            | –                                     | –              | –                                   | 1,198         | 267           | 2,160          |
| Business combination (Note 6)                            | –              | –                                     | –              | –                                   | 5,289         | 1,716         | 7,005          |
| Impairment (Note 16)                                     | –              | –                                     | –              | –                                   | –             | (483)         | (483)          |
| Other changes                                            | –              | 62                                    | –              | –                                   | 230           | (24)          | 268            |
| Transfers                                                | 1,265          | –                                     | –              | –                                   | 969           | (2,234)       | –              |
| <b>Net book value as at December 31, 2023</b>            | <b>483,309</b> | <b>197,709</b>                        | <b>100,444</b> | <b>26,809</b>                       | <b>19,394</b> | <b>47,265</b> | <b>874,930</b> |
| At cost                                                  | 687,462        | 264,388                               | 209,189        | 68,816                              | 85,944        | 112,936       | 1,428,735      |
| Accumulated amortization and impairment                  | (204,153)      | (66,679)                              | (108,745)      | (42,007)                            | (66,550)      | (65,671)      | (553,805)      |
| <b>Net book value as at December 31, 2023</b>            | <b>483,309</b> | <b>197,709</b>                        | <b>100,444</b> | <b>26,809</b>                       | <b>19,394</b> | <b>47,265</b> | <b>874,930</b> |
| At cost                                                  | 698,950        | 268,892                               | 209,401        | 70,041                              | 78,585        | 100,138       | 1,426,007      |
| Accumulated amortization and impairment                  | (174,249)      | (56,672)                              | (108,745)      | (42,755)                            | (60,331)      | (64,994)      | (507,746)      |
| <b>Net book value as at December 31, 2022 (restated)</b> | <b>524,701</b> | <b>212,220</b>                        | <b>100,656</b> | <b>27,286</b>                       | <b>18,254</b> | <b>35,144</b> | <b>918,261</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INTANGIBLE ASSETS (continued)**

As at December 31, 2023 and 2022, marketing related intangible assets were represented by trademarks of KMGI.

Carrying amount of goodwill is allocated to each of the group of cash-generating units as follows:

| <b>Cash-generating unit</b> | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-----------------------------|------------------------------|----------------------|
| Pavlodar refinery CGU       | <b>88,553</b>                | 88,553               |
| CGUs of KMGI                | <b>11,891</b>                | 12,103               |
| <b>Total goodwill</b>       | <b>100,444</b>               | 100,656              |

In 2023 and 2022, based on the impairment test results, no impairment of Pavlodar refinery or KMGI goodwill was recognized. For the detailed discussion of Pavlodar refinery goodwill impairment test refer to *Note 4*.

**21. BANK DEPOSITS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|--------------------------------------------|------------------------------|----------------------|
| Denominated in US dollar                   | <b>1,055,456</b>             | 1,230,928            |
| Denominated in tenge                       | <b>5,628</b>                 | 6,616                |
| Less: allowance for expected credit losses | <b>(181)</b>                 | (177)                |
|                                            | <b>1,060,903</b>             | 1,237,367            |

As at December 31, 2023, the weighted average interest rate for long-term bank deposits was 2.73% in US dollars and 6.23% in tenge (December 31, 2022: 0.94% in US dollars and 0.74% in tenge).

As at December 31, 2023, the weighted average interest rate for short-term bank deposits was 5.65% in US dollars and 1.38% in tenge (December 31, 2022: 2.64% in US dollars and 1.24% in tenge).

| <i>In millions of tenge</i>      | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|----------------------------------|------------------------------|----------------------|
| Maturities under 1 year          | <b>997,012</b>               | 1,178,138            |
| Maturities between 1 and 2 years | <b>279</b>                   | 94                   |
| Maturities over 2 years          | <b>63,612</b>                | 59,135               |
|                                  | <b>1,060,903</b>             | 1,237,367            |

As at December 31, 2023 bank deposits include those pledged as collateral with carrying value of 63,891 million tenge (December 31, 2022: 59,229 million tenge), which are represented mainly by 60,573 million tenge at restricted bank accounts designated as a liquidation fund per requirements of subsoil use contracts (December 31, 2022: 55,517 million tenge).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES**

| In millions of tenge                   | Main activity                                                                                    | Place of business   | December 31, 2023 |                      | December 31, 2022 |                      |
|----------------------------------------|--------------------------------------------------------------------------------------------------|---------------------|-------------------|----------------------|-------------------|----------------------|
|                                        |                                                                                                  |                     | Carrying value    | Percentage ownership | Carrying value    | Percentage ownership |
| Joint ventures                         |                                                                                                  |                     |                   |                      |                   |                      |
| Tengizchevroil LLP (TCO)               | Oil and gas exploration and production                                                           | Kazakhstan          | 3,598,510         | 20.00%               | 3,825,053         | 20.00%               |
| Mangistau Investments B.V. Group (MMG) | Oil and gas development and production                                                           | Kazakhstan          | 203,614           | 50.00%               | 164,716           | 50.00%               |
| KKO                                    | Oil and gas development and production                                                           | Kazakhstan          | 93,258            | 50.00%               | –                 | –                    |
|                                        | Processing and sale of natural gas and refined gas products                                      | Kazakhstan          | 69,479            | 50.00%               | 58,812            | 50.00%               |
| KazRosGas LLP (KRG)                    | Oil transportation                                                                               | Kazakhstan          | 53,358            | 50.00%               | 37,138            | 50.00%               |
| Kazakhstan-China Pipeline LLP (KCP)    | Oil refining                                                                                     | Kazakhstan          | 41,515            | 50.00%               | 26,351            | 50.00%               |
| Valsera Holdings B.V. Group (PKOP)     | Oil and gas exploration and production                                                           | Kazakhstan          | 36,506            | 50.00%               | 32,070            | 50.00%               |
| KazGerMunay LLP (KGM)                  | Sale of liquefied gas and oil products                                                           | Kazakhstan          | 31,740            | 49.00%               | 24,373            | 49.00%               |
| Petrosun LLP (Petrosun) (Note 8)       | Production of crude oil                                                                          | Kazakhstan          | 18,042            | 50.00%               | 26,911            | 50.00%               |
| Kazakhoil-Aktobe LLP (KOA)             | Design, construction and operation of infrastructure facilities, offshore oil operations support | Kazakhstan          | 8,210             | 48.996%              | 10,396            | 48.996%              |
| Teniz Service LLP (Teniz Service)      | Oil and gas exploration and production                                                           | Kazakhstan          | 7,641             | 50.00%               | 31,490            | 50.00%               |
| Ural Group Limited (UGL)               |                                                                                                  |                     | 58,345            |                      | 42,014            |                      |
| Other                                  |                                                                                                  |                     |                   |                      |                   |                      |
| Associates                             |                                                                                                  |                     |                   |                      |                   |                      |
|                                        |                                                                                                  | Kazakhstan / Russia |                   |                      |                   |                      |
| Caspian Pipeline Consortium (CPC)      | Transportation of liquid hydrocarbons                                                            |                     | 451,913           | 20.75%               | 521,882           | 20.75%               |
| PetroKazakhstan Inc. (PKI)             | Exploration, production and processing of oil and gas                                            | Kazakhstan          | 94,887            | 33.00%               | 94,635            | 33.00%               |
| Other                                  |                                                                                                  |                     | 54,409            |                      | 51,562            |                      |
|                                        |                                                                                                  |                     | 4,821,427         |                      | 4,947,403         |                      |

All of the above joint ventures and associates are strategic for the Group’s business.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

As at December 31, 2023, the Group’s share in unrecognized losses of joint ventures and associates was equal to 7,145 million tenge (December 31, 2022: 19,950 million tenge).

The following table summarizes the movements in the investments in 2023 and 2022:

| <i>In millions of tenge</i>                                                | 2023             | 2022             |
|----------------------------------------------------------------------------|------------------|------------------|
| <b>On January 1</b>                                                        | <b>4,947,403</b> | <b>4,145,646</b> |
| Share in profits of joint ventures and associates, net ( <i>Notes 10</i> ) | 534,177          | 991,310          |
| Acquisitions under common control ( <i>Notes 7 and 34</i> )                | –                | 17,368           |
| Acquisition ( <i>Note 8</i> )                                              | –                | 10,989           |
| Recognition of investment in KKO ( <i>Note 5</i> )                         | 93,258           | –                |
| Dividends received                                                         | (619,826)        | (462,309)        |
| Change in dividends receivable                                             | (107,633)        | (41,682)         |
| Other changes in the equity of the joint venture                           | 41,764           | (637)            |
| Other changes                                                              | 1,016            | –                |
| Additional contributions without change in ownership                       | 20,117           | 15,398           |
| Disposals, net ( <i>Note 34</i> )                                          | (8,621)          | –                |
| Transfers to assets classified as held for sale                            | –                | (76)             |
| Eliminations and adjustments*                                              | (2,140)          | (1,944)          |
| Foreign currency translation                                               | (78,088)         | 273,340          |
| <b>On December 31</b>                                                      | <b>4,821,427</b> | <b>4,947,403</b> |

\* *Equity method eliminations and adjustments represent capitalized borrowing costs on the loans provided by the Company and subsidiaries to joint ventures.*

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2023:

| <i>In millions of tenge</i>                                       | TCO               | MMG            | KKO           | KRG            | KCP            | PKOP           |
|-------------------------------------------------------------------|-------------------|----------------|---------------|----------------|----------------|----------------|
| Non-current assets                                                | 24,831,196        | 462,565        | 9,192         | 33,032         | 127,038        | 431,261        |
| Current assets, including                                         | 1,863,832         | 199,708        | 1,232         | 148,932        | 49,554         | 114,561        |
| Cash and cash equivalents                                         | 696,871           | 89,410         | 112           | 65,122         | 23,837         | 66,459         |
| Non-current liabilities, including                                | (7,434,076)       | (132,981)      | (10,376)      | (238)          | (23,107)       | (304,590)      |
| Non-current financial liabilities                                 | (4,091,040)       | –              | –             | –              | –              | (258,338)      |
| Current liabilities, including                                    | (1,268,404)       | (119,109)      | (324)         | (42,769)       | (46,768)       | (106,740)      |
| Current financial liabilities                                     | –                 | –              | –             | –              | (32,843)       | (80,398)       |
| <b>Equity</b>                                                     | <b>17,992,548</b> | <b>410,183</b> | <b>(276)</b>  | <b>138,957</b> | <b>106,717</b> | <b>134,492</b> |
| Share of ownership                                                | 20%               | 50%            | 50%           | 50%            | 50%            | 50%            |
| Equity method adjustments                                         | –                 | (1,477)        | –             | –              | –              | –              |
| Recognition of investment                                         | –                 | –              | 93,258        | –              | –              | –              |
| Accumulated unrealized losses                                     | –                 | –              | 138           | –              | –              | (25,731)       |
| <b>Carrying amount of the investments as at December 31, 2023</b> | <b>3,598,510</b>  | <b>203,614</b> | <b>93,258</b> | <b>69,479</b>  | <b>53,358</b>  | <b>41,515</b>  |
| Revenue                                                           | 8,796,634         | 878,362        | –             | 260,125        | 86,843         | 250,435        |
| Depreciation, depletion and amortization                          | (2,426,361)       | (107,455)      | –             | (295)          | (10,170)       | (41,216)       |
| Finance income                                                    | 86,023            | 784            | 2             | 2,243          | 585            | 6,013          |
| Finance costs                                                     | (283,225)         | (14,411)       | (118)         | –              | (3,628)        | (36,390)       |
| Income tax expenses                                               | (730,465)         | (47,354)       | –             | (13,996)       | (9,341)        | (12,954)       |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>1,704,419</b>  | <b>76,510</b>  | <b>(44)</b>   | <b>64,648</b>  | <b>37,440</b>  | <b>34,592</b>  |
| Other comprehensive (loss)/income                                 | (325,499)         | 1,285          | –             | (305)          | 1              | 16             |
| <b>Total comprehensive income/(loss)</b>                          | <b>1,378,920</b>  | <b>77,795</b>  | <b>(44)</b>   | <b>64,343</b>  | <b>37,441</b>  | <b>34,608</b>  |
| Dividends received                                                | 426,893           | –              | –             | 553            | 2,500          | –              |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2023:

| <i>In millions of tenge</i>                                       | <b>KGM</b>    | <b>Petrosun</b> | <b>KOA</b>     | <b>Teniz Service</b> | <b>UGL</b>      |
|-------------------------------------------------------------------|---------------|-----------------|----------------|----------------------|-----------------|
| Non-current assets                                                | 64,031        | 17              | 41,969         | 8,898                | 193,637         |
| Current assets, including                                         | 52,764        | 137,202         | 23,956         | 16,907               | 11,475          |
| <i>Cash and cash equivalents</i>                                  | 44,840        | 6,440           | 10,794         | 14,619               | 6,905           |
| Non-current liabilities, including                                | (14,966)      | –               | (18,608)       | (545)                | (145,798)       |
| <i>Non-current financial liabilities</i>                          | –             | –               | –              | –                    | (119,188)       |
| Current liabilities, including                                    | (28,817)      | (72,443)        | (11,233)       | (8,504)              | (4,033)         |
| <i>Current financial liabilities</i>                              | –             | –               | –              | –                    | –               |
| <b>Equity</b>                                                     | <b>73,012</b> | <b>64,776</b>   | <b>36,084</b>  | <b>16,756</b>        | <b>55,281</b>   |
| Share of ownership                                                | 50%           | 49%             | 50%            | 48.996%              | 50%             |
| Impairment of the investment                                      | –             | –               | –              | –                    | (20,000)        |
| <b>Carrying amount of the investments as at December 31, 2023</b> | <b>36,506</b> | <b>31,740</b>   | <b>18,042</b>  | <b>8,210</b>         | <b>7,641</b>    |
| Revenue                                                           | 145,728       | 1,336,888       | 80,064         | 13,994               | (352)           |
| <i>Depreciation, depletion and amortization</i>                   | (20,007)      | (14)            | (10,365)       | (632)                | (109)           |
| Finance income                                                    | 1,292         | 3,258           | 851            | 313                  | –               |
| Finance costs                                                     | (1,667)       | (1,006)         | (375)          | (56)                 | (606)           |
| Income tax expenses                                               | (27,450)      | (23,812)        | (11,617)       | (3,390)              | 8,206           |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>41,965</b> | <b>95,034</b>   | <b>(3,737)</b> | <b>237</b>           | <b>(94,011)</b> |
| Other comprehensive loss                                          | (1,729)       | –               | –              | –                    | (3,243)         |
| <b>Total comprehensive income/(loss)</b>                          | <b>40,236</b> | <b>95,034</b>   | <b>(3,737)</b> | <b>237</b>           | <b>(97,254)</b> |
| Dividends received                                                | 15,793        | 39,200          | 7,000          | 2,303                | –               |

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2022:

| <i>In millions of tenge</i>                                       | <b>TCO</b>        | <b>MMG</b>     | <b>KRG</b>     | <b>KCP</b>    | <b>PKOP</b>   |
|-------------------------------------------------------------------|-------------------|----------------|----------------|---------------|---------------|
| Non-current assets                                                | 25,713,747        | 464,868        | 40,100         | 137,004       | 454,653       |
| Current assets, including                                         | 3,046,293         | 111,126        | 99,637         | 42,103        | 120,412       |
| <i>Cash and cash equivalents</i>                                  | 1,905,924         | 28,622         | 59,000         | 17,871        | 79,079        |
| Non-current liabilities, including                                | (7,808,607)       | (144,698)      | (269)          | (58,417)      | (377,788)     |
| <i>Non-current financial liabilities</i>                          | (4,163,850)       | –              | –              | (32,197)      | (340,106)     |
| Current liabilities, including                                    | (1,826,167)       | (99,344)       | (21,844)       | (46,415)      | (97,393)      |
| <i>Current financial liabilities</i>                              | –                 | –              | –              | (33,900)      | (82,347)      |
| <b>Equity</b>                                                     | <b>19,125,266</b> | <b>331,952</b> | <b>117,624</b> | <b>74,275</b> | <b>99,884</b> |
| Share of ownership                                                | 20%               | 50%            | 50%            | 50%           | 50%           |
| Equity method adjustments                                         | –                 | (1,260)        | –              | –             | –             |
| Accumulated unrealized losses                                     | –                 | –              | –              | –             | (23,591)      |
| <b>Carrying amount of the investments as at December 31, 2022</b> | <b>3,825,053</b>  | <b>164,716</b> | <b>58,812</b>  | <b>37,138</b> | <b>26,351</b> |
| Revenue                                                           | 10,949,194        | 910,069        | 192,427        | 86,319        | 219,429       |
| <i>Depreciation, depletion and amortization</i>                   | (1,129,895)       | (26,647)       | (323)          | (10,269)      | (38,552)      |
| Finance income                                                    | 36,076            | 594            | 2,765          | 357           | 244           |
| Finance costs                                                     | (99,857)          | (9,404)        | –              | (4,593)       | (31,616)      |
| Income tax expenses                                               | (1,591,414)       | (38,267)       | (4,040)        | (8,703)       | (10,260)      |
| <b>Profit for the year from continuing operations</b>             | <b>3,713,299</b>  | <b>96,971</b>  | <b>1,107</b>   | <b>33,566</b> | <b>42,018</b> |
| Other comprehensive income                                        | 1,114,004         | 1,784          | 7,884          | –             | (228)         |
| <b>Total comprehensive income</b>                                 | <b>4,827,303</b>  | <b>98,755</b>  | <b>8,991</b>   | <b>33,566</b> | <b>41,790</b> |
| Dividends received                                                | 207,892           | 92,071         | –              | 5,000         | 2,189         |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2022:

| <i>In millions of tenge</i>                                       | <b>KGM</b> | <b>Petrosun</b> | <b>KOA</b> | <b>Teniz Service</b> | <b>UGL</b> |
|-------------------------------------------------------------------|------------|-----------------|------------|----------------------|------------|
| Non-current assets                                                | 71,787     | 28              | 51,963     | 14,283               | 275,714    |
| Current assets, including                                         | 53,303     | 123,612         | 17,357     | 16,745               | 1,851      |
| <i>Cash and cash equivalents</i>                                  | 46,729     | 14,662          | 1,186      | 2,570                | 1,704      |
| Non-current liabilities, including                                | (21,559)   | –               | (4,101)    | (573)                | (171,042)  |
| <i>Non-current financial liabilities</i>                          | –          | –               | –          | –                    | (133,544)  |
| Current liabilities, including                                    | (39,392)   | (73,899)        | (11,397)   | (9,236)              | (3,543)    |
| <i>Current financial liabilities</i>                              | –          | –               | –          | –                    | –          |
| <b>Equity</b>                                                     | 64,139     | 49,741          | 53,822     | 21,219               | 102,980    |
| Share of ownership                                                | 50%        | 49%             | 50%        | 48.996%              | 50%        |
| Impairment of the investment                                      | –          | –               | –          | –                    | (20,000)   |
| <b>Carrying amount of the investments as at December 31, 2022</b> | 32,070     | 24,373          | 26,911     | 10,396               | 31,490     |
| Revenue                                                           | 150,039    | 676,932         | 90,330     | 3,182                | 223        |
| <i>Depreciation, depletion and amortization</i>                   | (22,550)   | (22)            | (111)      | (645)                | (26)       |
| Finance income                                                    | 791        | 870             | 933        | 27                   | –          |
| Finance costs                                                     | (994)      | (812)           | (261)      | (49)                 | (8,387)    |
| Income tax expenses                                               | (39,783)   | (12,722)        | (10,266)   | (58)                 | (3,005)    |
| <b>Profit/(loss) for the year from continuing operations</b>      | 41,061     | 47,315          | 25,296     | (13,261)             | (22,939)   |
| Other comprehensive income                                        | 4,115      | –               | –          | –                    | 2,746      |
| <b>Total comprehensive income/(loss)</b>                          | 45,176     | 47,315          | 25,296     | (13,261)             | (20,193)   |
| Dividends received                                                | 22,826     | 9,800           | 14,000     | –                    | –          |

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2023:

| <i>In millions of tenge</i>                     | <b>December 31, 2023</b> |                 |
|-------------------------------------------------|--------------------------|-----------------|
|                                                 | <b>CPC</b>               | <b>PKI</b>      |
| Non-current assets                              | <b>1,969,703</b>         | <b>206,008</b>  |
| Current assets                                  | <b>295,663</b>           | <b>138,626</b>  |
| Non-current liabilities                         | <b>(18,722)</b>          | <b>(20,063)</b> |
| Current liabilities                             | <b>(279,064)</b>         | <b>(16,497)</b> |
| <b>Equity</b>                                   | <b>1,967,580</b>         | <b>308,074</b>  |
| Share of ownership                              | <b>20.75%</b>            | <b>33%</b>      |
| Goodwill                                        | <b>43,640</b>            | <b>–</b>        |
| Impairment of the investment                    | <b>–</b>                 | <b>(6,778)</b>  |
| <b>Carrying amount of the investment</b>        | <b>451,913</b>           | <b>94,887</b>   |
| Revenue                                         | <b>1,039,509</b>         | <b>128,343</b>  |
| <i>Depreciation, depletion and amortization</i> | <b>(245,423)</b>         | <b>(25,990)</b> |
| Finance income                                  | <b>14,080</b>            | <b>926</b>      |
| Finance costs                                   | <b>(1,519)</b>           | <b>(1,172)</b>  |
| Income tax expenses                             | <b>(118,490)</b>         | <b>(7,009)</b>  |
| <b>Profit for the year</b>                      | <b>310,160</b>           | <b>14,814</b>   |
| Other comprehensive loss                        | <b>(42,915)</b>          | <b>(4,927)</b>  |
| <b>Total comprehensive income</b>               | <b>267,245</b>           | <b>9,887</b>    |
| Dividends received                              | <b>113,892</b>           | <b>2,864</b>    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2022:

| <i>In millions of tenge</i>              | <b>December 31, 2022</b> |                |
|------------------------------------------|--------------------------|----------------|
|                                          | <b>CPC</b>               | <b>PKI</b>     |
| Non-current assets                       | 2,240,723                | 224,559        |
| Current assets                           | 292,198                  | 116,827        |
| Non-current liabilities                  | (35,730)                 | (18,489)       |
| Current liabilities                      | (196,152)                | (15,586)       |
| <b>Equity</b>                            | <b>2,301,039</b>         | <b>307,311</b> |
| Share of ownership                       | 20.75%                   | 33%            |
| Goodwill                                 | 44,416                   | –              |
| Impairment of the investment             | –                        | (6,778)        |
| <b>Carrying amount of the investment</b> | <b>521,882</b>           | <b>94,635</b>  |
| Revenue                                  | 976,076                  | 140,901        |
| Depreciation, depletion and amortization | (216,491)                | (24,217)       |
| Finance income                           | 8,119                    | 439            |
| Finance costs                            | –                        | (1,503)        |
| Income tax expenses                      | (122,394)                | (17,548)       |
| <b>Profit for the year</b>               | <b>567,533</b>           | <b>19,702</b>  |
| Other comprehensive income               | 185,893                  | 9,782          |
| <b>Total comprehensive income</b>        | <b>753,426</b>           | <b>29,484</b>  |
| Dividends received                       | 98,854                   | 2,890          |

The following tables illustrate aggregate financial information of individually immaterial joint ventures (the Group’s proportional share):

| <i>In millions of tenge</i>                                 | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-------------------------------------------------------------|------------------------------|----------------------|
| <b>Group share in:</b>                                      |                              |                      |
| Non-current assets                                          | <b>68,336</b>                | 39,088               |
| Current assets                                              | <b>22,813</b>                | 18,950               |
| Non-current liabilities                                     | <b>(16,170)</b>              | (13,922)             |
| Current liabilities                                         | <b>(21,493)</b>              | (8,800)              |
| Goodwill                                                    | <b>172</b>                   | 172                  |
| Accumulated unrecognized share of losses                    | <b>1,127</b>                 | 1,706                |
| Other changes                                               | <b>3,560</b>                 | 4,820                |
| <b>Carrying amount of the investments as at December 31</b> | <b>58,345</b>                | 42,014               |
| Profit for the year from continuing operations              | <b>3,692</b>                 | 4,013                |
| Other comprehensive loss                                    | <b>(845)</b>                 | (1,148)              |
| <b>Total comprehensive income</b>                           | <b>2,847</b>                 | 2,865                |
| Unrecognized share of loss                                  | <b>(204)</b>                 | (221)                |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate aggregate financial information of individually immaterial associates (the Group’s proportional share):

| <i>In millions of tenge</i>                                 | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-------------------------------------------------------------|------------------------------|----------------------|
| <b>Group share in:</b>                                      |                              |                      |
| Non-current assets                                          | <b>60,636</b>                | 53,699               |
| Current assets                                              | <b>92,172</b>                | 87,702               |
| Non-current liabilities                                     | <b>(17,916)</b>              | (15,673)             |
| Current liabilities                                         | <b>(81,358)</b>              | (75,041)             |
| Accumulated unrecognized share of losses                    | <b>875</b>                   | 875                  |
| <b>Carrying amount of the investments as at December 31</b> | <b>54,409</b>                | 51,562               |
| Profit for the year from continuing operations              | <b>7,103</b>                 | 31,339               |
| Other comprehensive income                                  | <b>375</b>                   | 3,675                |
| <b>Total comprehensive income</b>                           | <b>7,478</b>                 | 35,014               |

**23. INVENTORIES**

| <i>In millions of tenge</i>                                  | <b>December 31,<br/>2023</b> | December 31,<br>2022<br>(restated) |
|--------------------------------------------------------------|------------------------------|------------------------------------|
| Materials and supplies (at cost)                             | <b>232,469</b>               | 180,762                            |
| Crude oil (at cost)                                          | <b>61,621</b>                | 60,670                             |
| Refined products (at lower of cost and net realizable value) | <b>82,354</b>                | 69,332                             |
|                                                              | <b>376,444</b>               | 310,764                            |

As at December 31, 2023 carrying value of inventories under pledge as collateral amounted to 186,378 million tenge (December 31, 2022: 126,345 million tenge).

**24. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS**

| <i>In millions of tenge</i>                | <b>December 31,<br/>2023</b> | December 31,<br>2022<br>(restated) |
|--------------------------------------------|------------------------------|------------------------------------|
| <b>Trade accounts receivable</b>           |                              |                                    |
| Trade accounts receivable                  | <b>593,448</b>               | 549,430                            |
| Less: allowance for expected credit losses | <b>(32,190)</b>              | (29,746)                           |
|                                            | <b>561,258</b>               | 519,684                            |
| <b>Other current financial assets</b>      |                              |                                    |
| Other receivables                          | <b>97,771</b>                | 98,485                             |
| Dividends receivable                       | <b>20,952</b>                | 320                                |
| Less: allowance for expected credit losses | <b>(43,853)</b>              | (41,748)                           |
|                                            | <b>74,870</b>                | 57,057                             |
| <b>Other current non-financial assets</b>  |                              |                                    |
| Advances paid and prepaid expenses         | <b>91,769</b>                | 60,260                             |
| Taxes receivable, other than VAT           | <b>63,188</b>                | 43,030                             |
| Other                                      | <b>5,659</b>                 | 6,040                              |
| Less: impairment allowance                 | <b>(3,359)</b>               | (157)                              |
|                                            | <b>157,257</b>               | 109,173                            |
| <b>Total other current assets</b>          | <b>232,127</b>               | 166,230                            |

As at December 31, 2023 and 2022, the above assets were non-interest bearing.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****24. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)**

As at December 31, 2023, trade accounts receivable with a carrying value of 197,546 million tenge are pledged as collateral (December 31, 2022: 167,255 million tenge).

As of December 31, 2023 and 2022, trade accounts receivable is denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|-----------------------------|------------------------------|---------------------------------------------|
| US dollars                  | <b>364,490</b>               | 325,296                                     |
| Tenge                       | <b>121,165</b>               | 114,406                                     |
| Romanian Leu                | <b>68,896</b>                | 73,508                                      |
| Euro                        | <b>3,324</b>                 | 3,871                                       |
| Other currency              | <b>3,383</b>                 | 2,603                                       |
|                             | <b>561,258</b>               | 519,684                                     |

Movements in the allowance for expected credit losses and impairment were as follows:

| <i>In millions of tenge</i>               | <b>Individually impaired</b>                                                    |                                                   |
|-------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------|
|                                           | <b>Trade accounts<br/>receivable and<br/>other current<br/>financial assets</b> | <b>Other current<br/>non-financial<br/>assets</b> |
| <b>As at December 31, 2021 (restated)</b> | 66,275                                                                          | 103                                               |
| Charge for the year, net (Notes 15)       | 2,876                                                                           | 28                                                |
| Written-off                               | (748)                                                                           | (3)                                               |
| Foreign currency translation              | 3,091                                                                           | 29                                                |
| <b>As at December 31, 2022 (restated)</b> | 71,494                                                                          | 157                                               |
| Charge for the year, net (Note 15)        | <b>8,691</b>                                                                    | <b>3,204</b>                                      |
| Written-off                               | <b>(4,336)</b>                                                                  | <b>-</b>                                          |
| Foreign currency translation              | <b>194</b>                                                                      | <b>(2)</b>                                        |
| <b>As at December 31, 2023</b>            | <b>76,043</b>                                                                   | <b>3,359</b>                                      |

Set out below is the information about credit risk exposure on the Group's trade receivables using a provision matrix:

| <i>In millions of tenge</i>         | <b>Days past due</b> |                    |                   |                   |                    | <b>Total</b>    |
|-------------------------------------|----------------------|--------------------|-------------------|-------------------|--------------------|-----------------|
|                                     | <b>Current</b>       | <b>&lt;30 days</b> | <b>30-60 days</b> | <b>61-90 days</b> | <b>&gt;91 days</b> |                 |
| <b>December 31, 2023</b>            |                      |                    |                   |                   |                    |                 |
| Expected credit loss rate           | <b>0.23%</b>         | <b>12.18%</b>      | <b>14.33%</b>     | <b>5.84%</b>      | <b>58.78%</b>      |                 |
| Trade accounts receivable           | <b>519,801</b>       | <b>16,351</b>      | <b>1,594</b>      | <b>7,527</b>      | <b>48,175</b>      | <b>593,448</b>  |
| Expected credit losses              | <b>(1,214)</b>       | <b>(1,991)</b>     | <b>(229)</b>      | <b>(439)</b>      | <b>(28,317)</b>    | <b>(32,190)</b> |
| <b>December 31, 2022 (restated)</b> |                      |                    |                   |                   |                    |                 |
| Expected credit loss rate           | 0.23%                | 3.80%              | 9.83%             | 41.72%            | 95.69%             |                 |
| Trade accounts receivable           | 484,508              | 32,690             | 3,489             | 857               | 27,886             | 549,430         |
| Expected credit losses              | (1,120)              | (1,242)            | (343)             | (358)             | (26,683)           | (29,746)        |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES**

| <i>In millions of tenge</i>                                 | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-------------------------------------------------------------|------------------------------|----------------------|
| <b>At amortized cost</b>                                    |                              |                      |
| NB RK notes (Note 34)                                       | <b>43,709</b>                | 70,192               |
| Loans due from related parties (Note 34)                    | <b>50,103</b>                | 31,062               |
| Bonds receivable from Samruk-Kazyna (Note 34)               | <b>21,021</b>                | 19,665               |
| Treasury bills of foreign states                            | <b>7,032</b>                 | –                    |
| Less: allowance for expected credit losses                  | <b>(1,863)</b>               | (1,878)              |
|                                                             | <b>120,002</b>               | 119,041              |
| <b>At fair value through profit or loss</b>                 |                              |                      |
| Loans due from related parties (Note 34)                    | <b>86,173</b>                | 117,511              |
| Guaranteed returns from shareholders of joint venture       | <b>13,728</b>                | 13,179               |
|                                                             | <b>99,901</b>                | 130,690              |
| <b>Total loans and receivables due from related parties</b> | <b>219,903</b>               | 249,731              |

Loans and receivables due from related parties are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-----------------------------|------------------------------|----------------------|
| US dollars                  | <b>104,964</b>               | 146,435              |
| Tenge                       | <b>114,939</b>               | 103,296              |
|                             | <b>219,903</b>               | 249,731              |

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-----------------------------|------------------------------|----------------------|
| Current portion             | <b>125,569</b>               | 119,874              |
| Non-current portion         | <b>94,334</b>                | 129,857              |
|                             | <b>219,903</b>               | 249,731              |

Movements in the allowance for expected credit losses of loans and receivables due from related parties were as follows:

| <i>In millions of tenge</i>    |              |
|--------------------------------|--------------|
| <b>As at December 31, 2021</b> | 3,249        |
| Charged, net                   | (1,376)      |
| Foreign currency translation   | 5            |
| <b>As at December 31, 2022</b> | 1,878        |
| Charged, net                   | (17)         |
| Foreign currency translation   | 2            |
| <b>As at December 31, 2023</b> | <b>1,863</b> |

As at December 31, 2023 and 2022 for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). Since initial recognition of the loans and receivables due from related parties there have been no significant increases in credit risk.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. CASH AND CASH EQUIVALENTS**

| <i>In millions of tenge</i>                                                    | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|--------------------------------------------------------------------------------|------------------------------|---------------------------------------------|
| Term deposits with banks – US dollar                                           | <b>580,214</b>               | 228,818                                     |
| Term deposits with banks – tenge                                               | <b>124,702</b>               | 231,793                                     |
| Term deposits with banks – other currencies                                    | <b>76,316</b>                | 17,550                                      |
| Current accounts with banks – US dollar                                        | <b>120,787</b>               | 200,478                                     |
| Current accounts with banks – tenge                                            | <b>13,321</b>                | 20,878                                      |
| Current accounts with banks – other currencies                                 | <b>10,409</b>                | 15,816                                      |
| The contracts of reverse repo with original maturities of three months or less | <b>116,091</b>               | 27,499                                      |
| Cash in transit                                                                | <b>5,463</b>                 | 17,449                                      |
| Cash-on-hand and cheques                                                       | <b>3,613</b>                 | 2,961                                       |
| Less: allowance for expected credit losses                                     | <b>(43)</b>                  | (57)                                        |
|                                                                                | <b>1,050,873</b>             | 763,185                                     |

Term deposits with banks are made for various periods of between one day and three months, depending on the immediate cash requirements of the Group.

As at December 31, 2023, the weighted average interest rate for time deposits with banks was 5.40% in US dollars, 15.45% in tenge and 5.99% in other currencies (December 31, 2022: 1.12% in US dollars, 13.01% in tenge and 4.84% in other currencies).

As at December 31, 2023 and 2022, cash and cash equivalents were not pledged as collateral for obligations of the Group.

**27. EQUITY****Share capital**

Total number of outstanding, issued and paid shares comprises:

|                                                    | <b>December 31,<br/>2023 and 2022</b> |
|----------------------------------------------------|---------------------------------------|
| <b>Number of shares issued and paid, including</b> | <b>610,119,493</b>                    |
| Par value of 27,726.63 tenge                       | 137,900                               |
| Par value of 10,000 tenge                          | 20,719,604                            |
| Par value of 5,000 tenge                           | 59,707,029                            |
| Par value of 2,500 tenge                           | 71,104,187                            |
| Par value of 2,451 tenge                           | 1                                     |
| Par value of 1,000 tenge                           | 1                                     |
| Par value of 921 tenge                             | 1                                     |
| Par value of 858 tenge                             | 1                                     |
| Par value of 838 tenge                             | 1                                     |
| Par value of 704 tenge                             | 1                                     |
| Par value of 592 tenge                             | 1                                     |
| Par value of 500 tenge                             | 458,450,766                           |
| <b>Share capital (thousands of tenge)</b>          | <b>916,540,545</b>                    |

As at December 31, 2023 and 2022, the Company had only one class of issued shares. As at December 31, 2023 and 2022, common shares in the number of 239,440,103 were authorized, but not issued. In 2023, there was no issuance of any ordinary share.

**Dividends**

In 2023, based on the decision of Shareholders, the Company declared and paid off dividends for 2022 of 491.71 tenge per common share in the total of 300,002 million tenge (2022: declared and paid-off dividends for 2021 of 327.80 tenge per common share in the total of 199,997 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**27. EQUITY (continued)****Dividends (continued)**

In 2023, the Group declared and paid-off dividends to the non-controlling interest holders of KTO, KMGI in the total amount of 1,500 million tenge and 1,572 million tenge, respectively (2022: 2,296 million tenge and 1,975 million tenge, respectively).

**Transactions with Samruk-Kazyna**

In 2023, Samruk-Kazyna purchased the Company placed bonds for 70,000 million tenge. The difference between the fair value and nominal amount of bonds of 30,824 million tenge was recognized as an increase in equity within transactions with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 34*).

In 2023, Samruk-Kazyna received a loan from KMG Karachaganak LLP in the amount of 25,000 million tenge. The difference between the fair value and nominal amount of bonds of 4,226 million tenge was recognized as transactions with Samruk-Kazyna in the consolidated statement of changes in equity.

In 2022, the Company provided Samruk-Kazyna additional interest-free financial aid tranches of 23,605 million tenge under a long-term financial aid agreement signed on December 25, 2015, with a current maturity in 2022 (*Note 34*). The difference between the fair value and nominal amount of the additional tranches of 1,906 million tenge was recognized as a decrease in equity within transactions with Samruk-Kazyna in the consolidated statement of changes in equity.

In September 2022, the Company placed bonds for 751,631 million tenge at a coupon interest rate of 3.00% per annum and due in 2035. The coupon rate is below market rate. Samruk-Kazyna purchased the bonds. The difference between the fair value and nominal amount of bonds of 380,477 million tenge was recognized as transactions with Samruk-Kazyna in the consolidated statement of changes in equity (*Notes 28 and 34*).

In September 2022, within the exercising of the Option the Group is due to Samruk-Kazyna in the amount of 738.8 million US dollars (equivalent to 350,321 million tenge per exchange rate at the date of recognition). The payable was recognized at fair value upon initial recognition. The difference between the fair value and nominal amount of the payable of 7,426 million tenge was recognized as transactions with Samruk-Kazyna in the consolidated statement of changes in equity (*Notes 7 and 34*).

**Distributions to Samruk-Kazyna**

In 2023, in accordance with the Government decree on the construction of social objects in Zhana-ozen town and housing for the residents, living in Zhana-ozen town, the Group accrued liabilities and paid for 120 million tenge (2022: 10,199 million tenge and 2,398 million tenge, respectively).

In July 2022, based on the decision of Samruk-Kazyna and Cooperative, Kashagan declared and paid-off dividends in the amount of 1,133.4 million U.S. dollars (equivalent to 529,789 million tenge). Due to the recognition of the acquisition of Kashagan under common control the Group recognized dividends distributed to the former shareholder of Kashagan as Distributions to Samruk-Kazyna in the amount of 566.7 million U.S. dollars (equivalent to 263,671 million tenge) (*Note 7*).

**Contributions from the related party**

In 2023, SKO, a previous shareholder of Polimer, made a contribution to the share capital of Polimer for 14,155 million tenge (2022: 3,322 million tenge). In 2022 Polimer also accounted for discount in the amount of 2.896 million tenge in the consolidated statement of changes in equity on a loan received from SKO. In 2022, SKO, a previous shareholder of KLPE, made a contribution to the share capital of KLPE for 3,742 million tenge.

Due to the acquisition of KLPE under common control (*Note 7*) the Group recognized this as contribution from the related party in the consolidated statement of changes in equity.

**Acquisitions of joint ventures**

In 2022 the difference between the consideration paid for acquisition of 49.5% interest in KPI and carrying value of identifiable assets and liabilities of KPI at the date of acquisition was recognized as distribution to Samruk-Kazyna and presented in the line «*Acquisition of joint ventures*» in consolidated statement of changes in equity in the amount of 74,743 million tenge (*Note 7*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. EQUITY (continued)****Acquisitions of joint ventures (continued)**

In 2022 the difference between the consideration paid for acquisition of 49% interest in Petrosun for 1 tenge and the fair value of identifiable assets and liabilities of Petrosun at the date of acquisition in the amount of 10,989 million tenge was recognized as a contribution from Samruk-Kazyna and presented in the line «Acquisition of joint ventures» in consolidated statement of changes in equity (Note 8).

In 2022 the difference between the consideration paid for acquisition of 49.9% ownership interest in Silleno from SKO in the amount of 816 million tenge and the carrying value of investment in Silleno in the amount of 120 million tenge was recognized as contribution from Samruk-Kazyna and presented in the line «Acquisition of joint ventures» in consolidated statement of changes in equity.

**Other distribution to the shareholders**

In 2023, in accordance with the Order of the President of the RK on the construction of the Sport Complex as a result of his working visit to the West Kazakhstan region dated March 9, 2023, the Company recognized an obligation for the construction of the Sport Complex for the total amount of 17,925 million tenge (Note 30) and recognized it in the consolidated statement of changes in equity. The Company made an advance payment in the amount of 8,962 million tenge.

**Book value per share**

In accordance with the decision of KASE dated October 4, 2010 financial statements shall disclose book value per share (ordinary and preferred) as of the reporting date, calculated in accordance with the KASE rules.

| <i>In millions of tenge</i>                              | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|----------------------------------------------------------|------------------------------|---------------------------------------------|
| Total assets                                             | <b>16,942,712</b>            | 16,656,890                                  |
| Less: intangible assets                                  | <b>874,930</b>               | 918,261                                     |
| Less: total liabilities                                  | <b>6,548,315</b>             | 6,789,464                                   |
| <b>Net assets</b>                                        | <b>9,519,467</b>             | 8,949,165                                   |
| Number of ordinary shares                                | <b>610,119,493</b>           | 610,119,493                                 |
| <b>Book value per ordinary share (in thousand tenge)</b> | <b>15,603</b>                | 14,668                                      |

**Earnings per share**

| <i>In thousand tenge</i>                                                          | <b>2023</b>        | <b>2022<br/>(restated)</b> |
|-----------------------------------------------------------------------------------|--------------------|----------------------------|
| Weighted average number of common shares for basic and diluted earnings per share | <b>610,119,493</b> | 610,119,493                |
| Basic and diluted earnings per share                                              | <b>1,574</b>       | 2,095                      |

**Non-controlling interests**

The following tables illustrate information of subsidiaries in which the Group has significant non-controlling interests:

|                                   | <b>Country of<br/>incorporation<br/>and operation</b> | <b>December 31, 2023</b>               |                           | <b>December 31, 2022</b>               |                           |
|-----------------------------------|-------------------------------------------------------|----------------------------------------|---------------------------|----------------------------------------|---------------------------|
|                                   |                                                       | <b>Non-<br/>controlling<br/>shares</b> | <b>Carrying<br/>value</b> | <b>Non-<br/>controlling<br/>shares</b> | <b>Carrying<br/>value</b> |
| Romp petrol Downstream S.R.L.     | Romania                                               | <b>45.37%</b>                          | <b>67,535</b>             | 45.37%                                 | 66,468                    |
| KTO                               | Kazakhstan                                            | <b>10.00%</b>                          | <b>59,156</b>             | 10.00%                                 | 53,642                    |
| Romp petrol Petrochemicals S.R.L. | Romania                                               | <b>45.37%</b>                          | <b>18,572</b>             | 45.37%                                 | 17,464                    |
| KMG EP                            | Kazakhstan                                            | <b>0.28%</b>                           | <b>8,215</b>              | 0.28%                                  | 8,119                     |
| Romp petrol Vega                  | Romania                                               | <b>45.37%</b>                          | <b>(25,320)</b>           | 45.37%                                 | (23,768)                  |
| Romp petrol Rafinare S.A.         | Romania                                               | <b>45.37%</b>                          | <b>(253,347)</b>          | 45.37%                                 | (212,487)                 |
| Other                             |                                                       |                                        | <b>25,785</b>             |                                        | 29,021                    |
|                                   |                                                       |                                        | <b>(99,404)</b>           |                                        | (61,541)                  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2023 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream<br/>S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>KMG EP</b>    | <b>Rompetrol Vega</b> | <b>Rompetrol<br/>Rafinare S.A.</b> |
|-------------------------------------------------------------------|--------------------------------------------|----------------|------------------------------------------------|------------------|-----------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                            |                |                                                |                  |                       |                                    |
| Non-current assets                                                | 123,201                                    | 812,534        | 1,784                                          | 1,190,313        | 22,949                | 123,516                            |
| Current assets                                                    | 216,576                                    | 132,793        | 39,749                                         | 1,546,121        | 11,676                | 76,687                             |
| Non-current liabilities                                           | (66,489)                                   | (216,157)      | (433)                                          | (91,794)         | (42,739)              | (148,648)                          |
| Current liabilities                                               | (124,441)                                  | (112,746)      | (168)                                          | (217,704)        | (47,693)              | (609,932)                          |
| <b>Total equity</b>                                               | <b>148,847</b>                             | <b>616,424</b> | <b>40,932</b>                                  | <b>2,426,936</b> | <b>(55,807)</b>       | <b>(558,377)</b>                   |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 81,312                                     | 557,268        | 22,360                                         | 2,418,721        | (30,487)              | (305,030)                          |
| Non-controlling interests                                         | 67,535                                     | 59,156         | 18,572                                         | 8,215            | (25,320)              | (253,347)                          |
| <b>Summarized statement of comprehensive income</b>               |                                            |                |                                                |                  |                       |                                    |
| Revenue                                                           | 1,012,646                                  | 290,386        | –                                              | 1,184,834        | 108,639               | 1,696,983                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>5,439</b>                               | <b>69,508</b>  | <b>3,125</b>                                   | <b>37,360</b>    | <b>(4,278)</b>        | <b>(98,216)</b>                    |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>2,352</b>                               | <b>70,146</b>  | <b>2,440</b>                                   | <b>34,250</b>    | <b>(3,422)</b>        | <b>(90,054)</b>                    |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 1,285                                      | 63,131         | 1,333                                          | 34,154           | (1,869)               | (49,195)                           |
| Non-controlling interests                                         | 1,067                                      | 7,015          | 1,107                                          | 96               | (1,553)               | (40,859)                           |
| Dividends declared to non-controlling interests                   | –                                          | (1,500)        | –                                              | –                | –                     | –                                  |
| <b>Summarized cash flow information</b>                           |                                            |                |                                                |                  |                       |                                    |
| Operating activity                                                | (44,926)                                   | 87,839         | 5                                              | 144,334          | 2,501                 | (988,089)                          |
| Investing activity                                                | (3,264)                                    | (160,028)      | –                                              | (319,182)        | (2,470)               | (64,948)                           |
| Financing activity                                                | 49,441                                     | 64,418         | –                                              | 55,725           | (31)                  | 1,118,004                          |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       | <b>1,251</b>                               | <b>(8,485)</b> | <b>5</b>                                       | <b>(124,491)</b> | <b>–</b>              | <b>64,967</b>                      |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****27. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2022 and for the year then ended:

| <i>In millions of tenge</i>                                       | <b>Rompetrol<br/>Downstream<br/>S.R.L.</b> | <b>KTO</b>     | <b>Rompetrol<br/>Petrochemicals<br/>S.R.L.</b> | <b>KMG EP</b>    | <b>Rompetrol Vega</b> | <b>Rompetrol<br/>Refinare S.A.</b> |
|-------------------------------------------------------------------|--------------------------------------------|----------------|------------------------------------------------|------------------|-----------------------|------------------------------------|
| <b>Summarized statement of financial position</b>                 |                                            |                |                                                |                  |                       |                                    |
| Non-current assets                                                | 93,101                                     | 652,668        | 3,210                                          | 1,047,369        | 31,254                | 119,520                            |
| Current assets                                                    | 166,214                                    | 119,379        | 36,121                                         | 1,600,377        | 15,215                | 48,757                             |
| Non-current liabilities                                           | (16,185)                                   | (149,990)      | (664)                                          | (83,988)         | (43,795)              | (85,885)                           |
| Current liabilities                                               | (96,635)                                   | (91,602)       | (176)                                          | (202,509)        | (55,058)              | (550,715)                          |
| <b>Total equity</b>                                               | <b>146,495</b>                             | <b>530,455</b> | <b>38,491</b>                                  | <b>2,361,249</b> | <b>(52,384)</b>       | <b>(468,323)</b>                   |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 80,027                                     | 476,813        | 21,027                                         | 2,353,130        | (28,616)              | (255,836)                          |
| Non-controlling interests                                         | 66,468                                     | 53,642         | 17,464                                         | 8,119            | (23,768)              | (212,487)                          |
| <b>Summarized statement of comprehensive income</b>               |                                            |                |                                                |                  |                       |                                    |
| Revenue                                                           | 1,178,244                                  | 255,627        | –                                              | 1,294,096        | 122,133               | 2,233,851                          |
| <b>Profit/(loss) for the year from continuing operations</b>      | <b>13,557</b>                              | <b>45,582</b>  | <b>858</b>                                     | <b>708,225</b>   | <b>(16,794)</b>       | <b>50,548</b>                      |
| <b>Total comprehensive income/(loss) for the year, net of tax</b> | <b>21,156</b>                              | <b>55,416</b>  | <b>3,370</b>                                   | <b>721,462</b>   | <b>(19,076)</b>       | <b>15,768</b>                      |
| <b>Attributable to:</b>                                           |                                            |                |                                                |                  |                       |                                    |
| Equity holder of the Parent Company                               | 11,557                                     | 49,874         | 1,841                                          | 719,442          | (10,421)              | 8,614                              |
| Non-controlling interests                                         | 9,599                                      | 5,542          | 1,529                                          | 2,020            | (8,655)               | 7,154                              |
| Dividends declared to non-controlling interests                   | –                                          | (1,000)        | –                                              | (16)             | –                     | –                                  |
| <b>Summarized cash flow information</b>                           |                                            |                |                                                |                  |                       |                                    |
| Operating activity                                                | 36,791                                     | 73,513         | (3,149)                                        | 218,119          | 4,570                 | 67,361                             |
| Investing activity                                                | 14,540                                     | (47,288)       | 3,150                                          | (222,714)        | (1,012)               | (16,045)                           |
| Financing activity                                                | (44,507)                                   | 17,011         | –                                              | (2,390)          | (3,490)               | (50,443)                           |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       | <b>6,824</b>                               | <b>44,659</b>  | <b>1</b>                                       | <b>2,189</b>     | <b>68</b>             | <b>873</b>                         |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. BORROWINGS**

| <i>In millions of tenge</i>                         | <b>December 31,<br/>2023</b> | December 31,<br>2022<br>(restated) |
|-----------------------------------------------------|------------------------------|------------------------------------|
| Fixed interest rate borrowings                      | <b>3,253,754</b>             | 3,595,474                          |
| Weighted average effective interest rates           | <b>5.36%</b>                 | 6.41%                              |
| Floating interest rate borrowings                   | <b>503,340</b>               | 558,912                            |
| Weighted average effective interest rates (Note 35) | <b>8.93%</b>                 | 8.61%                              |
|                                                     | <b>3,757,094</b>             | 4,154,386                          |

As at December 31, 2023 and 2022, borrowings are denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | December 31,<br>2022<br>(restated) |
|-----------------------------|------------------------------|------------------------------------|
| US dollar                   | <b>3,018,895</b>             | 3,152,169                          |
| Tenge                       | <b>700,223</b>               | 715,804                            |
| Euro                        | <b>24,850</b>                | 23,069                             |
| Russian ruble               | <b>–</b>                     | 245,349                            |
| Other currencies            | <b>13,126</b>                | 17,995                             |
|                             | <b>3,757,094</b>             | 4,154,386                          |

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | December 31,<br>2022<br>(restated) |
|-----------------------------|------------------------------|------------------------------------|
| Current portion             | <b>391,358</b>               | 369,489                            |
| Non-current portion         | <b>3,365,736</b>             | 3,784,897                          |
|                             | <b>3,757,094</b>             | 4,154,386                          |

As at December 31, 2023 and 2022, the bonds comprised:

| <i>In millions of tenge</i> | <b>Issuance<br/>amount</b> | <b>Redemption<br/>date</b> | <b>Interest</b>                        | <b>December 31,<br/>2023</b> | December 31,<br>2022 |
|-----------------------------|----------------------------|----------------------------|----------------------------------------|------------------------------|----------------------|
| <b>Bonds</b>                |                            |                            |                                        |                              |                      |
| KASE 2023                   | 70 billion KZT             | 2033                       | 0.50% (11.74% effective interest rate) | <b>41,375</b>                | –                    |
| KASE 2022                   | 751.6 billion KZT          | 2035                       | 3.00% (14.5% effective interest rate)  | <b>392,158</b>               | 379,306              |
| Bonds LSE 2020              | 750 million USD            | 2033                       | 3.50%                                  | <b>343,005</b>               | 349,059              |
| AIX 2019                    | 150 million USD            | 2024                       | 5.00%                                  | <b>19,800</b>                | 34,385               |
| Bonds LSE 2018              | 1.5 billion USD            | 2048                       | 6.375%                                 | <b>673,677</b>               | 685,181              |
| Bonds LSE 2018              | 1.25 billion USD           | 2030                       | 5.375%                                 | <b>569,892</b>               | 579,391              |
| Bonds LSE 2018              | 0.5 billion USD            | 2025                       | 4.75%                                  | <b>–</b>                     | 232,586              |
| Bonds LSE 2017              | 1.25 billion USD           | 2047                       | 5.75%                                  | <b>552,309</b>               | 561,160              |
| Bonds LSE 2017              | 1 billion USD              | 2027                       | 4.75%                                  | <b>454,062</b>               | 460,655              |
| <b>Total</b>                |                            |                            |                                        | <b>3,046,278</b>             | 3,281,723            |

On April 26, 2023, the Company made an early repayment of Eurobonds in the amount of 501 million US dollars (equivalent to 227,520 million tenge), including premium for early repayment and coupon payment with an interest rate of 4.75% and maturity in 2025.

On April 27 and November 22, 2023, the Company placed bonds for 70,000 million tenge at a coupon interest rate of 0.50% per annum and due in 2033. Samruk-Kazyna purchased the bonds. The coupon rate of the bonds is below market rate. The difference between the fair value and nominal amount of bonds of 30,824 million tenge was recognized as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity (Note 27).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. BORROWINGS (continued)**

As at December 31, 2023 and 2022, the borrowings comprised:

| <i>In millions of tenge</i>                                                                                        | <b>Issuance<br/>amount</b>     | <b>Redemption date</b>               | <b>Interest</b>                                              | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------|--------------------------------------------------------------|------------------------------|---------------------------------------------|
| <b>Loans</b>                                                                                                       |                                |                                      |                                                              |                              |                                             |
| The Syndicate of banks (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank, Alpha Bank, Garanti Bank, OTP Bank) | 531.8 million USD <sup>1</sup> | 2026                                 | ROBOR 1M+2%<br>SOFR O/N+2.5%<br>SOFR1M+2.5%<br>SOFR 1M+2.75% | <b>141,506</b>               | 26,270                                      |
| Halyk bank JSC (Halyk bank)                                                                                        | 151 billion KZT                | 2024-2025                            | 11.00%                                                       | <b>94,999</b>                | 135,062                                     |
| Development bank of Kazakhstan JSC (DBK)                                                                           | 157 billion KZT                | 2024-2026                            | 7.00% - 7.99%                                                | <b>80,992</b>                | 100,694                                     |
| Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)                                                                  | 200 million USD                | 2024                                 | COF <sup>2</sup> (5.37%) + 1.80%                             | <b>62,800</b>                | 17,415                                      |
| Halyk bank                                                                                                         | 66.7 billion KZT               | 2032                                 | Key Rate of National Bank of RK + 2.50%                      | <b>47,391</b>                | 29,761                                      |
| Lukoil Kazakhstan Upstream                                                                                         | –                              | After the start of commercial mining | O/N SOFR + 2.85%<br>SOFR 3M+2.612%<br>SOFR 3M+2.98%          | <b>47,363</b>                | 12,876                                      |
| Cargill                                                                                                            | 100 million USD                | 2024                                 | COF (5.75%) + 1.50%                                          | <b>46,176</b>                | 70,165                                      |
| BCP                                                                                                                | 170 million USD                | 2024                                 | 17.75-18.75%                                                 | <b>37,893</b>                | –                                           |
| Halyk bank                                                                                                         | 31 billion KZT                 | 2024                                 | COF (5.6%) + 2.00%                                           | <b>31,487</b>                | 46,460                                      |
| Credit Agricole                                                                                                    | 150 million USD                | 2024                                 |                                                              | <b>26,936</b>                | 30,934                                      |
| The Syndicate of banks (BCR, Raiffeisen Bank, OTP, Alpha, Garanti)                                                 | 83 million EUR                 | 2029                                 | EURIBOR 6M + 3.00%<br>SOFR 1M + 2.50%                        | <b>24,844</b>                | 21,411                                      |
| Banca Transilvania                                                                                                 | 57.96 million EUR              | 2024                                 | EURIBOR 1M + 2.50%                                           | <b>15,710</b>                | 16,739                                      |
| ING Bank NV                                                                                                        | 250 million USD                | 2024                                 | COF (5.55%) + 2.00%                                          | <b>13,839</b>                | 31,871                                      |
| OTP Bank                                                                                                           | 119 million RON                | 2030                                 | ROBOR 3M + 1.10%                                             | <b>10,964</b>                | 11,801                                      |
| VTB Bank (PJSC)                                                                                                    | 38 billion RUB                 | 2027                                 | Key Rate of Central Bank of Russia Federation + 2.25%        | –                            | 245,349                                     |
| DBK                                                                                                                | 843.6 million USD              | 2023                                 | 10.99%                                                       | –                            | 20,483                                      |
| NATIXIS                                                                                                            | 250 million USD                | 2024                                 | COF (5.44%) + 2.00%                                          | –                            | 18,165                                      |
| Samruk-Kazyna Ondeu LLP                                                                                            | 13.9 billion KZT               | 2023                                 | 0.1-10%                                                      | –                            | 11,052                                      |
| Other                                                                                                              | –                              | –                                    | –                                                            | <b>27,916</b>                | 26,155                                      |
| <b>Total</b>                                                                                                       |                                |                                      |                                                              | <b>710,816</b>               | <b>872,663</b>                              |

<sup>1</sup> 265.9 million USD with revolving credit facility;

<sup>2</sup> Cost of funding.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**28. BORROWINGS (continued)**

In 2023, KMGI received Syndicated loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) used to finance its working capital for the total amount of 307 million US dollars (equivalent to 140,232 million tenge), on a net basis.

In 2023, KMGI partially repaid a Syndicated Loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) in the amount of 73.94 million US dollars (equivalent to 33,734 million tenge), including interest.

In 2023, KMGI received a loan from Bank of Tokyo-Mitsubishi UFJ. Ltd to finance working capital for 101 million US dollars (equivalent to 45,855 million tenge), on a net basis, at the rate of COF (5.37%) + 1.80% per annum and maturity in 2024.

In 2023, KMGI partially repaid a loan from Cargill in the amount of 61.46 million US dollars (equivalent to 28,039 million tenge), including interest.

In 2023, KMGI partially repaid a loan from NATIXIS in the amount of 42 million US dollars (equivalent to 19,240 million tenge), including interest.

In 2023, KMGI received a loan from BCP to finance working capital for 83 million US dollars (equivalent to 38,031 million tenge), on a net basis, at the rate of COF (5.7481%) + 1.50% per annum and maturity in 2024.

In 2023, Atyrau Refinery LLP (further Atyrau refinery) made full repayment of the loan from VTB Bank (PJSC) for 42,371 million Rubles (equivalent to 213,729 million tenge), including accrued interest.

In 2023, Atyrau refinery partially repaid loans from Halyk Bank for a total amount of 102,674 million tenge, respectively, including interest.

In 2023, Atyrau refinery received a loan from Halyk Bank in the amount of 31,410 million tenge at an interest rate of 17.75-18.75% per annum and maturing in 2024 for the purpose of repayment of current liabilities.

In 2023, Atyrau refinery and Pavlodar refinery partially repaid a loan from the Development Bank of Kazakhstan in the total amount of 31,261 million tenge, including interest.

In 2023, Atyrau refinery made full repayment of a loan from Development Bank of Kazakhstan in the amount of 21,400 million tenge, including interest.

In 2023, Main Waterline LLP received a loan from Halyk Bank in the amount of 11,800 million tenge at the interest rate of the Key rate of the National Bank of the Republic of Kazakhstan +2.50% and maturing in 2032 for the reconstruction and expansion of the Astrakhan-Mangyshlak main water pipeline (1st stage).

In 2023, based on the notification of the Ministry of Energy of RK on the termination of the subsoil use contract, the Company derecognized the loan of Eni Isatai B.V. for the Isatai project in the amount of 4,377 million tenge (*Note 17*).

In January 2022, Atyrau refinery made early full repayment of the loan from Eximbank for 604 million US dollars (equivalent to 259,459 million tenge), including accrued interest. For the repayment was used the cash reserved in November 2021.

In 2012, Atyrau refinery paid an insurance premium to China Export & Credit Insurance Corporation in the amount of 85 million USD (equivalent to 12,820 million tenge) under a loan Agreement with Eximbank. In connection with the early repayment of the loan, China Export & Credit Insurance Corporation returned the part of the insurance premium in December 2022 in the amount of 16 million USD (equivalent to 7,370 million tenge).

In 2022, KTO received a long-term loan from Halyk Bank for 29,593 million tenge with the key rate of the NB RK + 2.50% and maturity of 4 years to finance the first stage of the project "Reconstruction and expansion of the main water pipeline "Astrakhan-Mangyshlak".

In 2022, KMGI partially redeemed Syndicated loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) used to finance its working capital for the total amount of 191.48 million US dollars (equivalent to 88,258 million tenge).

In 2022, KMGI received a long-term syndicated loan (BCR, Raiffeisen Bank, OTP, Alpha, Garanti) to finance the construction of the cogeneration power plant for 42 million euro (equivalent to 20,196 million tenge) at the rate of 6M Euribor + 3.00% per annum and maturity of 7 years.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**28. BORROWINGS (continued)**

In 2022, KMGI received a loan from NATIXIS to finance working capital for 39 million USD (equivalent to 18,097 million tenge) at the rate of COF (4.65%) + 2.00% per annum and maturity in 2023.

In 2022, KMGI received a long-term loan from OTP Bank JSC to finance the extension and development of gas stations for 25 million USD (equivalent to 11,404 million tenge) at the rates of Robor 3M + 1.10% per annum and maturity of 8 years.

In 2022, KMGI received a long-term loan from Cargill bank to finance working capital for 25 million USD (equivalent to 23,047 million tenge) at the rates of SOFR 3M+2.98% per annum and maturity till the year 2024.

In 2022, Atyrau refinery made partial repayment of the loans from DBK for 60 million US dollars (equivalent to 27,550 million tenge), including accrued interest.

In 2022, KMGI received a loan from Credit Agricole to finance working capital for 17 million USD (equivalent to 7,833 million tenge) at the rates of COF (4.60%) + 2.00% per annum and maturity till the year 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. BORROWINGS (continued)**

Changes in liabilities arising from financing activities:

| <i>In millions of tenge</i>                               | 2023             |                  |                  |                  | 2022 (restated)  |                 |           |           |
|-----------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-----------------|-----------|-----------|
|                                                           | Short-term loans | Long-term loans  | Bonds            | Total            | Short-term loans | Long-term loans | Bonds     | Total     |
| <b>On January 1</b>                                       | <b>173,053</b>   | <b>699,611</b>   | <b>3,281,722</b> | <b>4,154,386</b> | 162,772          | 892,376         | 2,706,199 | 3,761,347 |
| Received in cash                                          | <b>138,787</b>   | <b>176,517</b>   | <b>70,000</b>    | <b>385,304</b>   | 87,401           | 146,681         | 751,632   | 985,714   |
| Return of insurance premium in cash                       | –                | –                | –                | –                | –                | 7,370           | –         | 7,370     |
| Repayment of principal in cash                            | <b>(95,296)</b>  | <b>(329,830)</b> | <b>(241,106)</b> | <b>(666,232)</b> | (86,481)         | (136,755)       | (1,091)   | (224,327) |
| Repayment of principal and interest by reserved cash      | –                | –                | –                | –                | –                | (259,459)       | –         | (259,459) |
| Interest accrued                                          | <b>17,198</b>    | <b>68,901</b>    | <b>185,686</b>   | <b>271,785</b>   | 9,861            | 80,772          | 168,536   | 259,169   |
| Commission for the early redemption of the loan (Note 17) | –                | –                | –                | –                | –                | 4,498           | –         | 4,498     |
| Interest paid*                                            | <b>(17,030)</b>  | <b>(63,606)</b>  | <b>(173,836)</b> | <b>(254,472)</b> | (9,779)          | (65,873)        | (156,377) | (232,029) |
| Discount (Note 27)                                        | –                | –                | <b>(30,824)</b>  | <b>(30,824)</b>  | –                | (2,896)         | (380,477) | (383,373) |
| Foreign currency translation                              | <b>(2,297)</b>   | <b>(2,526)</b>   | <b>(46,152)</b>  | <b>(50,975)</b>  | 8,233            | 7,673           | 187,440   | 203,346   |
| Foreign exchange loss                                     | <b>42</b>        | <b>(53,380)</b>  | <b>(1,520)</b>   | <b>(54,858)</b>  | 1,046            | 27,842          | 5,863     | 34,751    |
| Derecognition of loan (Note 17)                           | –                | <b>(4,377)</b>   | –                | <b>(4,377)</b>   | –                | –               | –         | –         |
| Other                                                     | –                | <b>5,050</b>     | <b>2,307</b>     | <b>7,357</b>     | –                | (2,618)         | (3)       | (2,621)   |
| <b>On December 31</b>                                     | <b>214,457</b>   | <b>496,360</b>   | <b>3,046,277</b> | <b>3,757,094</b> | 173,053          | 699,611         | 3,281,722 | 4,154,386 |
| Current portion                                           | <b>214,457</b>   | <b>125,152</b>   | <b>51,749</b>    | <b>391,358</b>   | 173,053          | 147,355         | 49,081    | 369,489   |
| Non-current portion                                       | –                | <b>371,208</b>   | <b>2,994,528</b> | <b>3,365,736</b> | –                | 552,256         | 3,232,641 | 3,784,897 |

\* The repayment of the interest is classified in the consolidated statement of cash flows as operating cash flows.

In January 2022, Atyrau refinery made early full repayment of the loan from Eximbank for 604 million US dollars (equivalent to 259,459 million tenge), including accrued interest. For the repayment the cash reserved in November 2021 was used.

**Covenants**

The Group is required to comply with the financial and non-financial covenants under the terms of loan agreements. As of December 31, 2023 and 2022, the Group complied with all financial and non-financial covenants.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. BORROWINGS (continued)****Hedge of net investment in the foreign operations**

As at December 31, 2023, certain borrowings denominated in foreign currency were designated as hedge instrument for the net investment in the foreign operations. These borrowings are being used to hedge the Group's exposure to the US dollar foreign exchange risk on these investments. In 2023, a gain of 46,152 million tenge (2022: loss of 187,440 million tenge) on the translation of these borrowings were transferred to other comprehensive income and offset against translation gains of the net investments in foreign operations.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the US Dollars borrowings. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate borrowings. As at December 31, 2023 and 2022, there was no ineffective portion of the hedge.

**29. LEASE LIABILITIES**

Future minimum lease payments under leases together with the present value of the net minimum lease payments comprised the following:

| <i>In millions of tenge</i>                       | <b>Minimum lease payments</b> |                   | <b>Present value of minimum lease payments</b> |                   |
|---------------------------------------------------|-------------------------------|-------------------|------------------------------------------------|-------------------|
|                                                   | <b>December 31, 2023</b>      | December 31, 2022 | <b>December 31, 2023</b>                       | December 31, 2022 |
| Within one year                                   | <b>19,767</b>                 | 16,629            | <b>17,400</b>                                  | 15,682            |
| Two to five years inclusive                       | <b>49,777</b>                 | 23,368            | <b>26,128</b>                                  | 16,770            |
| After five years                                  | <b>89,424</b>                 | 61,176            | <b>61,752</b>                                  | 49,102            |
|                                                   | <b>158,968</b>                | 101,173           | <b>105,280</b>                                 | 81,554            |
| Less: amounts representing finance costs          | <b>(53,688)</b>               | (19,619)          | –                                              | –                 |
| <b>Present value of minimum lease payments</b>    | <b>105,280</b>                | 81,554            | <b>105,280</b>                                 | 81,554            |
| Less: amounts due for settlement within 12 months | <b>(19,767)</b>               | (16,629)          | <b>(17,400)</b>                                | (15,682)          |
| <b>Amounts due for settlement after 12 months</b> | <b>139,201</b>                | 84,544            | <b>87,880</b>                                  | 65,872            |

As at December 31, 2023, interest calculation was based on effective interest rates ranging from 2.95% to 20.65% (December 31, 2022: from 2.95% to 19.00%).

Changes in lease liabilities for the year ended December 31, 2023 and 2022:

| <i>In millions of tenge</i>  | <b>2023</b>     | 2022     |
|------------------------------|-----------------|----------|
| <b>On January 1</b>          | <b>81,554</b>   | 74,421   |
| Additions of leases          | <b>55,740</b>   | 14,219   |
| Interest accrued (Note 17)   | <b>7,420</b>    | 4,188    |
| Repayment of principal       | <b>(26,933)</b> | (19,709) |
| Interest paid                | <b>(1,936)</b>  | (1,389)  |
| Foreign exchange loss        | <b>1,964</b>    | (1,629)  |
| Foreign currency translation | <b>(1,442)</b>  | 3,089    |
| Modification                 | <b>3,938</b>    | 11,120   |
| Early termination            | <b>(15,025)</b> | (4,404)  |
| Other                        | –               | 1,648    |
| <b>On December 31</b>        | <b>105,280</b>  | 81,554   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****30. PROVISIONS**

| <i>In millions of tenge</i>               | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision<br/>for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b> | <b>Total</b> |
|-------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|--------------------------------|--------------|--------------|
| <b>As at December 31, 2021 (restated)</b> | 209,460                                     | 63,186                                                          | 10,362                         | 6,736        | 289,744      |
| Foreign currency translation              | 9,164                                       | 3,286                                                           | 238                            | 325          | 13,013       |
| Change in estimate                        | (117,668)                                   | 4,755                                                           | –                              | (408)        | (113,321)    |
| Unwinding of discount (Notes 17)          | 12,087                                      | 5,722                                                           | –                              | 138          | 17,947       |
| Provision for the year                    | 15,987                                      | 9,998                                                           | 1,785                          | 43,220       | 70,990       |
| Recovered                                 | (61)                                        | –                                                               | (1,070)                        | (608)        | (1,739)      |
| Use of provision                          | (97)                                        | (5,594)                                                         | (392)                          | (1,006)      | (7,089)      |
| <b>As at December 31, 2022 (restated)</b> | 128,872                                     | 81,353                                                          | 10,923                         | 48,397       | 269,545      |
| Foreign currency translation              | (1,506)                                     | (1,062)                                                         | (44)                           | (333)        | (2,945)      |
| Change in estimate                        | 10,019                                      | (1,198)                                                         | –                              | 142          | 8,963        |
| Unwinding of discount (Note 17)           | 10,556                                      | 2,719                                                           | –                              | 123          | 13,398       |
| Provision for the year                    | 57,996                                      | 416                                                             | 482                            | 31,608       | 90,502       |
| Business combination (Note 6)             | 4,346                                       | –                                                               | –                              | –            | 4,346        |
| Recovered                                 | (356)                                       | –                                                               | (4,319)                        | (28,364)     | (33,039)     |
| Use of provision                          | (1,222)                                     | (5,167)                                                         | (68)                           | (4,518)      | (10,975)     |
| <b>As at December 31, 2023</b>            | 208,705                                     | 77,061                                                          | 6,974                          | 47,055       | 339,795      |

Detailed description of significant provisions, including critical estimates and judgments used, is included in *Note 4*.

Current portion and long-term portion are segregated as follows:

| <i>In millions of tenge</i>               | <b>Asset<br/>retirement<br/>obligations</b> | <b>Provision<br/>for<br/>environ-<br/>mental<br/>obligation</b> | <b>Provision<br/>for taxes</b> | <b>Other</b> | <b>Total</b> |
|-------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|--------------------------------|--------------|--------------|
| Current portion                           | 2,847                                       | 3,751                                                           | 6,974                          | 20,004       | 33,576       |
| Long-term portion                         | 205,858                                     | 73,310                                                          | –                              | 27,051       | 306,219      |
| <b>As at December 31, 2023</b>            | 208,705                                     | 77,061                                                          | 6,974                          | 47,055       | 339,795      |
| Current portion                           | 1,739                                       | 6,082                                                           | 10,923                         | 40,035       | 58,779       |
| Long-term portion                         | 127,133                                     | 75,271                                                          | –                              | 8,361        | 210,765      |
| <b>As at December 31, 2022 (restated)</b> | 128,872                                     | 81,353                                                          | 10,923                         | 48,396       | 269,544      |

*Other provisions*

Asset retirement obligations and other provisions accrued for the year ended December 31, 2023, mainly include provisions disclosed in *Note 36*.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES**

| <i>In millions of tenge</i>                                          | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|----------------------------------------------------------------------|------------------------------|---------------------------------------------|
| <b>Trade accounts payable</b>                                        | <b>663,930</b>               | <b>565,092</b>                              |
| <b>Other financial liabilities</b>                                   |                              |                                             |
| Due to employees                                                     | <b>72,970</b>                | 67,073                                      |
| Other trade payables                                                 | <b>42,562</b>                | 32,048                                      |
| Derivative financial instruments                                     | <b>114</b>                   | 1,598                                       |
| Payables to Samruk-Kazyna for exercising the Option (Notes 7 and 34) | <b>–</b>                     | 164,937                                     |
| Other                                                                | <b>49,050</b>                | 33,244                                      |
|                                                                      | <b>164,696</b>               | 298,900                                     |
| Current portion                                                      | <b>145,953</b>               | 283,820                                     |
| Non-current portion                                                  | <b>18,743</b>                | 15,080                                      |
|                                                                      | <b>164,696</b>               | 298,900                                     |
| <b>Other non-financial liabilities</b>                               |                              |                                             |
| Contract liabilities                                                 | <b>153,962</b>               | 117,817                                     |
| Other                                                                | <b>15,328</b>                | 16,950                                      |
|                                                                      | <b>169,290</b>               | 134,767                                     |
| Current portion                                                      | <b>131,513</b>               | 93,219                                      |
| Non-current portion                                                  | <b>37,777</b>                | 41,548                                      |
|                                                                      | <b>169,290</b>               | 134,767                                     |

As of December 31, 2023, and 2022, trade accounts payable were denominated in the following currencies:

| <i>In millions of tenge</i> | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|-----------------------------|------------------------------|---------------------------------------------|
| US dollars                  | <b>444,674</b>               | 322,797                                     |
| Tenge                       | <b>153,016</b>               | 127,848                                     |
| Romanian Leu                | <b>51,244</b>                | 72,676                                      |
| Euro                        | <b>8,157</b>                 | 34,638                                      |
| Other currency              | <b>6,839</b>                 | 7,133                                       |
| <b>Total</b>                | <b>663,930</b>               | 565,092                                     |

As at December 31, 2023 and 2022, trade accounts payable and other financial liabilities were not interest bearing.

**Derivative financial instruments**

The Group uses different commodity derivatives as a part of price risk management in trading of crude oil and petroleum products.

Statement of financial position:

|                                                                 | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-----------------------------------------------------------------|------------------------------|------------------------------|
| Derivative financial asset (in other financial assets)          | <b>–</b>                     | 681                          |
| Derivative financial liability (in other financial liabilities) | <b>(114)</b>                 | (1,598)                      |
| <b>Derivative financial liability, net</b>                      | <b>(114)</b>                 | (917)                        |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES (continued)****Derivative financial instruments (continued)**

Statement of comprehensive income:

|                                                                                         | 2023 | 2022    |
|-----------------------------------------------------------------------------------------|------|---------|
| Realized losses from derivatives on petroleum products in production expenses (Note 12) | (69) | 121,539 |

A movement in derivatives assets/(liabilities) is shown below:

|                        | 2023         | 2022         |
|------------------------|--------------|--------------|
| <b>On January 1</b>    | <b>(917)</b> | <b>8,838</b> |
| Effective hedge in OCI | 849          | (11,872)     |
| Inventory              | (60)         | 1,524        |
| Translation difference | 14           | 593          |
| <b>On December 31</b>  | <b>(114)</b> | <b>(917)</b> |

Derivative financial instruments are initially measured at fair value on the contract date, and are re-measured to fair value at subsequent reporting dates. Changes in the fair value of derivative financial instruments are recognized in profit or loss as they arise.

The Group has the following hedge transactions that qualify for fair value hedge:

| Transaction                                        | Hedged item                                                                                                                        | Risk hedged                      | Hedging instrument                       |
|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------|
| Commodity purchase / sell at fixed price           | Base operating stock (BOS) – meaning crude oil, feedstock, diesel, gasoline and jet<br>Priced operational stock above or below BOS | Commodity price risk             | Swap, Future, Purchase put / call option |
| Foreign exchange risk related to monetary item     | Monetary item not in the functional currency of the Group                                                                          | Change in foreign exchange rate  | Swap, currency forward                   |
| Foreign exchange risk related to a firm commitment | Firm commitment not denominated in the functional currency of the Group                                                            | Change in foreign exchange rate  | Swap, currency forward                   |
| Fair value risk related to fixed interest rates    | Receivable or liability at fixed interest rate                                                                                     | Interest related fair value risk | Swap                                     |

The Group has the following hedge transactions that qualify for cash flow hedge:

| Transaction                          | Hedged item                                                               | Risk hedged                | Hedging instrument                        |
|--------------------------------------|---------------------------------------------------------------------------|----------------------------|-------------------------------------------|
| Forecasted commodity purchase / sell | Forecasted refinery margin basket and forecasted Dated Brent differential | Commodity price risk       | Swap, Future, Purchased put / call option |
| EUA certificates                     | Forecasted EUA certificates purchase                                      | EUA certificate price risk | Futures                                   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. OTHER TAXES PAYABLE**

| <i>In millions of tenge</i>        | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022<br/>(restated)</b> |
|------------------------------------|------------------------------|---------------------------------------------|
| Rent tax on crude oil export       | <b>37,557</b>                | 38,445                                      |
| Mineral Extraction Tax             | <b>30,485</b>                | 35,277                                      |
| VAT                                | <b>23,233</b>                | 49,969                                      |
| Individual income tax              | <b>9,424</b>                 | 8,002                                       |
| Social tax                         | <b>7,620</b>                 | 7,094                                       |
| Withholding tax from non-residents | <b>1,957</b>                 | 1,875                                       |
| Excise tax                         | <b>1,537</b>                 | 2,175                                       |
| Other                              | <b>4,687</b>                 | 5,660                                       |
|                                    | <b>116,500</b>               | 148,497                                     |

**33. INCOME TAX EXPENSES**

As at December 31, 2023 income taxes prepaid of 33,051 million tenge (2022: 36,167 million tenge) are mainly represented by corporate income tax. As at December 31, 2023 income taxes payable of 28,285 million tenge (2022: 66,648 million tenge) are mainly represented by corporate income tax.

Income tax expense comprised the following for the years ended December 31, 2023 and 2022:

| <i>In millions of tenge</i>                      | <b>2023</b>     | <b>2022<br/>(restated)</b> |
|--------------------------------------------------|-----------------|----------------------------|
| <b>Current income tax</b>                        |                 |                            |
| Corporate income tax                             | <b>117,003</b>  | 204,159                    |
| Withholding tax on dividends and interest income | <b>86,287</b>   | 49,120                     |
| <b>Excess profit tax</b>                         | <b>691</b>      | 1,673                      |
| <b>Deferred income tax</b>                       |                 |                            |
| Corporate income tax                             | <b>110,134</b>  | 123,855                    |
| Excess profit tax                                | <b>(10,391)</b> | 239                        |
| Withholding tax on dividends                     | <b>(33,376)</b> | 113,331                    |
| <b>Income tax expenses</b>                       | <b>270,348</b>  | 492,377                    |

In Romania by Emergency Ordinance no. 186 issued December 28, 2022, a solidarity contribution was imposed on profits in the fossil fuel sector. The solidarity contribution is payable by companies operating in the crude oil, natural gas, coal, and refinery sectors on taxable profits of 2022 and 2023 exceeding 120% of the average taxable profit of the preceding four years, 2018 to 2021, at a rate of 60%. If the average taxable profit related to the period 2018-2021 is negative, for the purpose of calculating the solidarity contribution, it is considered that the average taxable profit is equal to zero. As of December 31, 2023, KMGI recognized income tax in the amount of 31.1 million US dollars (equivalent to 14,141 million tenge) (2022: 124.9 million US dollars, equivalent to 57,584 million tenge).

A reconciliation of income tax expenses applicable to profit before income tax at the statutory income tax rate (20% in 2023 and 2022) to income tax expenses was as follows for the years ended December 31:

| <i>In millions of tenge</i>                          | <b>2023</b>      | <b>2022<br/>(restated)</b> |
|------------------------------------------------------|------------------|----------------------------|
| Profit before income tax                             | <b>1,194,809</b> | 1,798,937                  |
| Statutory tax rate                                   | <b>20%</b>       | 20%                        |
| <b>Income tax expense on accounting profit</b>       | <b>238,962</b>   | 359,787                    |
| Share in profit of joint ventures and associates     | <b>(55,703)</b>  | (87,797)                   |
| Other non-deductible expenses and non-taxable income | <b>45,869</b>    | 112,247                    |
| Effect of different corporate income tax rates       | <b>74,959</b>    | 92,045                     |
| Excess profit tax                                    | <b>(9,700)</b>   | 1,912                      |
| Change in unrecognized deferred tax assets           | <b>(24,039)</b>  | 14,183                     |
| <b>Income tax expenses</b>                           | <b>270,348</b>   | 492,377                    |
| Income tax expenses                                  | <b>270,348</b>   | 492,377                    |
|                                                      | <b>270,348</b>   | 492,377                    |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. INCOME TAX EXPENSES (continued)**

Deferred tax balances, calculated by applying the statutory tax rates effective at the respective reporting dates to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the consolidated financial statements, are comprised of the following at December 31:

| <i>In millions of tenge</i>                                    | 2023                    |                      |                    |                  | 2022 (restated)                     |                         |                      |                    |                |                                     |
|----------------------------------------------------------------|-------------------------|----------------------|--------------------|------------------|-------------------------------------|-------------------------|----------------------|--------------------|----------------|-------------------------------------|
|                                                                | Corporate<br>income tax | Excess<br>profit tax | Withholding<br>tax | Total            | Recognized<br>in profit and<br>loss | Corporate<br>income tax | Excess<br>profit tax | Withholding<br>tax | Total          | Recognized<br>in profit and<br>loss |
| <b>Deferred tax assets</b>                                     |                         |                      |                    |                  |                                     |                         |                      |                    |                |                                     |
| Property, plant and equipment                                  | 23,019                  | –                    | –                  | 23,019           | (934)                               | 23,953                  | –                    | –                  | 23,953         | 1,190                               |
| Tax loss carryforward                                          | 683,285                 | –                    | –                  | 683,285          | (2,191)                             | 685,476                 | –                    | –                  | 685,476        | 3,017                               |
| Employee benefits related accruals                             | 7,628                   | –                    | –                  | 7,628            | 1,004                               | 6,624                   | –                    | –                  | 6,624          | 1,648                               |
| Impairment of financial assets                                 | 8,105                   | –                    | –                  | 8,105            | 8,104                               | 1                       | –                    | –                  | 1              | –                                   |
| Environmental liability                                        | 3,031                   | –                    | –                  | 3,031            | (728)                               | 3,759                   | –                    | –                  | 3,759          | 670                                 |
| Other                                                          | 105,081                 | 10,334               | –                  | 115,415          | 68,187                              | 85,114                  | –                    | –                  | 85,114         | (2,231)                             |
| Less: unrecognized deferred tax assets                         | (551,341)               | –                    | –                  | (551,341)        | 24,039                              | (575,380)               | –                    | –                  | (575,380)      | (14,183)                            |
| Less: deferred tax assets offset with deferred tax liabilities | (223,313)               | –                    | –                  | (223,313)        | (35,364)                            | (187,949)               | –                    | –                  | (187,949)      | 30,581                              |
| <b>Deferred tax assets</b>                                     | <b>55,495</b>           | <b>10,334</b>        | <b>–</b>           | <b>65,829</b>    | <b>62,117</b>                       | <b>41,598</b>           | <b>–</b>             | <b>–</b>           | <b>41,598</b>  | <b>20,692</b>                       |
| <b>Deferred tax liabilities</b>                                |                         |                      |                    |                  |                                     |                         |                      |                    |                |                                     |
| Property, plant and equipment                                  | 773,061                 | 540                  | –                  | 773,601          | 205,420                             | 567,641                 | 597                  | –                  | 568,238        | 114,788                             |
| Undistributed earnings of joint ventures and associates        | –                       | –                    | 571,270            | 571,270          | (33,376)                            | –                       | –                    | 615,747            | 615,747        | 113,331                             |
| Other                                                          | 5,209                   | –                    | –                  | 5,209            | (8,196)                             | 2,974                   | –                    | –                  | 2,974          | (583)                               |
| Less: deferred tax assets offset with deferred tax liabilities | (223,313)               | –                    | –                  | (223,313)        | (35,364)                            | (187,949)               | –                    | –                  | (187,949)      | 30,581                              |
| <b>Deferred tax liabilities</b>                                | <b>554,957</b>          | <b>540</b>           | <b>571,270</b>     | <b>1,126,767</b> | <b>128,484</b>                      | <b>382,666</b>          | <b>597</b>           | <b>615,747</b>     | <b>999,010</b> | <b>258,117</b>                      |
| <b>Net deferred tax liability</b>                              | <b>499,462</b>          | <b>(9,794)</b>       | <b>571,270</b>     | <b>1,060,938</b> |                                     | <b>341,068</b>          | <b>597</b>           | <b>615,747</b>     | <b>957,412</b> | <b>–</b>                            |
| <b>Deferred tax expense</b>                                    |                         |                      |                    |                  | <b>66,367</b>                       |                         |                      |                    |                | <b>237,425</b>                      |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. INCOME TAX EXPENSES (continued)**

Deferred corporate income tax and excess profit tax are determined with reference to individual subsoil use contracts. Deferred corporate income tax is also determined for activities outside of the scope of subsoil use contracts. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax asset arising mainly from tax losses carry forward amounted to 551,341 million tenge as at December 31, 2023 (2022: 575,380 million tenge).

Tax losses carry forward as at December 31, 2023 and 2022 in the RK expire for tax purposes after ten years from the date they are incurred.

The movements in the deferred tax liability/(asset) were as follows:

| <i>In millions of tenge</i>                                          | <b>2023</b>                     |                              |                            |                  | <b>2022 (restated)</b>          |                              |                            |              |
|----------------------------------------------------------------------|---------------------------------|------------------------------|----------------------------|------------------|---------------------------------|------------------------------|----------------------------|--------------|
|                                                                      | <b>Corporate<br/>income tax</b> | <b>Excess<br/>profit tax</b> | <b>Withholding<br/>tax</b> | <b>Total</b>     | <b>Corporate<br/>income tax</b> | <b>Excess<br/>profit tax</b> | <b>Withholding<br/>tax</b> | <b>Total</b> |
| <b>Net deferred tax liability as at January 1</b>                    | <b>341,068</b>                  | <b>597</b>                   | <b>615,747</b>             | <b>957,412</b>   | 203,789                         | 358                          | 465,891                    | 670,038      |
| Foreign currency translation                                         | (7,263)                         | –                            | (11,101)                   | (18,364)         | 13,308                          | –                            | 36,525                     | 49,833       |
| Tax expense/(income) during the year recognized in profit and loss   | 110,134                         | (10,391)                     | (33,376)                   | 66,367           | 123,855                         | 239                          | 113,331                    | 237,425      |
| Tax expense during the year recognized in other comprehensive income | 327                             | –                            | –                          | 327              | 116                             | –                            | –                          | 116          |
| Business combination (Note 6)                                        | 55,196                          | –                            | –                          | 55,196           | –                               | –                            | –                          | –            |
| <b>Net deferred tax liability as at December 31</b>                  | <b>499,462</b>                  | <b>(9,794)</b>               | <b>571,270</b>             | <b>1,060,938</b> | 341,068                         | 597                          | 615,747                    | 957,412      |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. RELATED PARTY DISCLOSURES****Terms and conditions of transactions with related parties**

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances at the year-end are mainly unsecured and interest free and settlement occurs in cash, except as indicated below. The Group recognizes allowances for ECL on amounts owed by related parties.

**Transactions balances**

The following table provides the balances of transactions with related parties as at December 31, 2023 and 2022:

| <i>In millions of tenge</i>    | <b>December 31,</b> | <b>Due from<br/>related<br/>parties</b> | <b>Due to<br/>related<br/>parties</b> | <b>Cash and<br/>deposits<br/>placed with<br/>related<br/>parties</b> | <b>Borrowings<br/>payable to<br/>related<br/>parties</b> |
|--------------------------------|---------------------|-----------------------------------------|---------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------|
| Samruk-Kazyna entities         | <b>2023</b>         | <b>93,745</b>                           | <b>4,392</b>                          | <b>5,911</b>                                                         | <b>453,333</b>                                           |
|                                | 2022                | 38,476                                  | 168,368                               | –                                                                    | 413,691                                                  |
| Associates                     | <b>2023</b>         | <b>8,681</b>                            | <b>2,962</b>                          | –                                                                    | –                                                        |
|                                | 2022                | 16,348                                  | 3,431                                 | –                                                                    | –                                                        |
| Other state-controlled parties | <b>2023</b>         | <b>46,897</b>                           | <b>1,419</b>                          | –                                                                    | <b>80,992</b>                                            |
|                                | 2022                | 72,003                                  | 666                                   | –                                                                    | 121,177                                                  |
| Joint ventures                 | <b>2023</b>         | <b>173,119</b>                          | <b>235,725</b>                        | –                                                                    | –                                                        |
|                                | 2022                | 167,284                                 | 187,172                               | –                                                                    | –                                                        |

**Due from/to related parties***Samruk-Kazyna entities*

As at December 31, 2023 due from related parties were mainly represented by the bonds receivable from the Samruk-Kazyna of 20,963 million tenge, net of expected credit losses (December 31, 2022: 19,599 million tenge) and trade receivables for crude oil by JSC "NC Kazakhstan Temir Zholy" for 30,677 million tenge.

As at December 31, 2023, the Company sold its 25% interest in Butadien LLP, a joint venture, with a carrying value of 8,621 million tenge (*Note 22*) to Samruk-Kazyna for a consideration of 8,531 million tenge. As a result, the Company lost its joint control over Butadien LLP.

As at December 31, 2023, payable due to Samruk-Kazyna for the exercised Option was fully repaid for 364 million US dollars (equivalent to 163,770 million tenge) (*Notes 7 and 31*).

As at December 31, 2022 the financial aid provided to Samruk-Kazyna has been fully repaid by setting off against the payable for the acquisition of 49.50% ownership interest in KPI for 91,175 million tenge (*Note 7*), payable for the acquisition of 49.9% ownership interest in Silleno for 816 million tenge and the part of the payable for exercising the Option for 424,587 million tenge (*Note 7*).

*Other state-controlled parties*

During 2023, the Group purchased short-term notes of NB RK in the total amount of 451,598 million tenge with an interest rate of 15.96%, as well as short-term notes of NB RK acquired in 2022 and 2023 in the amount of 425,263 million tenge were redeemed.

During 2022, the Group short-term notes of NB RK in the total amount of 87,000 million tenge, out of which notes in the amount of 17,000 million tenge were redeemed.

*Joint ventures*

As at December 31, 2023 due from joint ventures were mainly represented by the loans given to PKOP of 25,975 million tenge (December 31, 2022: 53,889 million tenge), UGL of 54,980 million tenge (December 31, 2022: 63,622 million tenge) (*Note 25*).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. RELATED PARTY DISCLOSURES (continued)****Due from/to related parties (continued)***Joint ventures (continued)*

As at December 31, 2023 due to joint ventures were mainly represented by accounts payable for crude oil to TCO for 181,831 million tenge (December 31, 2022: 153,610 million tenge).

**Borrowings payable to related parties***Samruk-Kazyna entities*

In 2023, Samruk-Kazyna purchased the Company placed bonds for 70,000 million tenge. The difference between the fair value and nominal amount of bonds of 30,824 million tenge was recognized as transactions with Samruk-Kazyna in the consolidated statement of changes in equity (Note 27).

In September 2022, Samruk-Kazyna purchased the Company placed bonds for 751,631 million tenge. The difference between the fair value and nominal amount of bonds of 380,477 million tenge was recognized as transactions with Samruk-Kazyna in the consolidated statement of changes in equity (Notes 27 and 28).

*Other state-controlled parties*

As at December 31, 2023 the borrowings payable to related parties are represented by loans received from DBK by Atyrau refinery and Pavlodar refinery of 80,992 million tenge (December 31, 2022: 121,177 million tenge) (Note 28).

**Transactions turnover**

The following table provides the total amount of transactions, which have been entered into with related parties during 2023 and 2022:

| <i>In millions of tenge</i>    |             | <b>Sales to<br/>related<br/>parties</b> | <b>Purchases<br/>from<br/>related<br/>parties</b> | <b>Interest<br/>earned<br/>from<br/>related<br/>parties</b> | <b>Interest<br/>incurred to<br/>related<br/>parties</b> |
|--------------------------------|-------------|-----------------------------------------|---------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------|
| Samruk-Kazyna entities         | <b>2023</b> | <b>158,392</b>                          | <b>33,705</b>                                     | <b>4,058</b>                                                | <b>39,795</b>                                           |
|                                | 2022        | 50,371                                  | 11,768                                            | 44,760                                                      | 15,618                                                  |
| Associates                     | <b>2023</b> | <b>12,742</b>                           | <b>81,497</b>                                     | <b>194</b>                                                  | <b>–</b>                                                |
|                                | 2021        | 18,705                                  | 67,615                                            | 235                                                         | –                                                       |
| Other state-controlled parties | <b>2023</b> | <b>346</b>                              | <b>31,349</b>                                     | <b>5,421</b>                                                | <b>12,475</b>                                           |
|                                | 2022        | 9,631                                   | 18,228                                            | 577                                                         | 15,501                                                  |
| Joint ventures                 | <b>2023</b> | <b>439,502</b>                          | <b>1,709,923</b>                                  | <b>17,540</b>                                               | <b>–</b>                                                |
|                                | 2022        | 305,922                                 | 2,119,070                                         | 12,469                                                      | 4                                                       |

**Sales to related parties / purchases from related parties***Joint ventures*

In 2023, sales to joint ventures were mainly represented by transportation and cargo servicing provided to TCO for 22,613 million tenge (2022: 20,204 million tenge), transportation charges and oil servicing provided to MMG for 67,755 million tenge and for 137,855 million tenge, respectively (2022: 58,141 million tenge and 116,223 million tenge, respectively).

In 2023, purchases from joint ventures were mainly attributable to purchases of crude oil from TCO to perform the oil delivery customer contract for 1,602,095 million tenge (2022: 1,976,760 million tenge).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. RELATED PARTY DISCLOSURES (continued)****Key management employee compensation**

Total compensation to key management personnel (members of the Boards of directors and Management boards of the Group) included in general and administrative expenses in the accompanying consolidated statement of the comprehensive income was equal to 7,769 million tenge and 7,375 million tenge for the years ended December 31, 2023 and 2022, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**35. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES**

The Group’s principal financial instruments mainly consist of borrowings, loans given, financial guarantees, cash and cash equivalents, bank deposits as well as accounts receivable and accounts payable. The Group is exposed to interest rate risk, foreign currency risk and credit risk. The Group further monitors the market risk and liquidity risk arising from all financial instruments.

**Market risk**

The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency, and securities, all of which are exposed to general and specific market movements. The Group manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing appropriate margin and collateral requirements. The sensitivity analyses in the following sections relate to the position as of December 31, 2023 and 2022.

*Foreign currency risk*

As a result of significant borrowings and accounts payable denominated in the US dollars and rubles, the Group’s consolidated statement of financial position can be affected significantly by movement in the US dollar and ruble/ tenge exchange rates. The Group also has transactional currency exposures. Such exposure arises from revenues in the US dollars and rubles. The Group has a policy on managing its foreign currency risk in US dollar by matching US dollar and ruble denominated financial assets with US dollar and ruble denominated financial liabilities. The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group’s profit before income tax (due to changes in the cash flows of monetary assets and liabilities). The sensitivity of possible changes in exchange rates for other currencies are not considered due to its insignificance to the consolidated financial results of Group’s operations.

| <i>In millions of tenge</i> | <b>Increase/<br/>(decrease)<br/>in tenge to<br/>US dollar<br/>exchange rate</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|---------------------------------------------------------------------------------|--------------------------------------------|
| <b>2023</b>                 | <b>+14%</b><br><b>(14%)</b>                                                     | <b>(224,731)</b><br><b>224,731</b>         |
| <b>2022</b>                 | <b>+21%</b><br><b>(21%)</b>                                                     | <b>(404,338)</b><br><b>404,338</b>         |
| <i>In millions of tenge</i> | <b>Increase/<br/>(decrease)<br/>in tenge to RUB<br/>exchange rate</b>           | <b>Effect<br/>on profit<br/>before tax</b> |
| <b>2023</b>                 | <b>+29%</b><br><b>(29%)</b>                                                     | <b>(38)</b><br><b>38</b>                   |
| <b>2022</b>                 | <b>+22%</b><br><b>(22%)</b>                                                     | <b>(54,044)</b><br><b>54,044</b>           |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Market risk (continued)***Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term borrowings with floating interest rates. The Group's policy is to manage its interest rate cost using a mix of fixed and variable rate borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before income tax (through the impact on floating rate borrowings). There is no significant impact on the Group's equity.

| <i>In millions of tenge</i> | <b>Increase/<br/>decrease<br/>in basis points</b> | <b>Effect<br/>on profit<br/>before tax</b> |
|-----------------------------|---------------------------------------------------|--------------------------------------------|
| <b>2023</b>                 | <b>+3.97</b>                                      | <b>(19,982)</b>                            |
| SOFR                        | -3.97                                             | 19,982                                     |
| <b>2022</b>                 |                                                   |                                            |
| LIBOR                       | +2.45                                             | (12,989)                                   |
|                             | -2.45                                             | 12,989                                     |

**Credit risk**

The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The maximum exposure is the carrying amount as disclosed in *Note 24*. There are no significant concentrations of credit risk within the Group.

With respect to credit risks arising on other financial assets of the Group, which comprise cash and cash equivalents, bank deposits, loans and receivables from related parties and other financial assets, the Group's exposure to credit risks arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The table below shows the risk profile of the Group's cash and cash equivalents, short-term and long-term deposits held in banks as at December 31, 2023 and 2022 using the Fitch credit ratings, or in their absence, using their equivalent rates in S&P and Moody's:

|              | <b>As at December 31</b> |             |
|--------------|--------------------------|-------------|
|              | <b>2023</b>              | <b>2022</b> |
| AA- to A+    | 19%                      | 15%         |
| A to A-      | 58%                      | 41%         |
| BBB+ to BBB- | 18%                      | 41%         |
| BB+ to BB-   | 5%                       | 2%          |
| B+ to B-     | -                        | 1%          |

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The table below summarizes the maturity profile of the Group's financial liabilities as at December 31, 2023 and 2022 based on contractual undiscounted payments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Liquidity risk (continued)**

| <i>In millions of tenge</i>               | Due less than one month | Due later than one month but not later than three months | Due later than three months but not later than one year | Due later than one year but not later than five years | Due after 5 years* | Total            |
|-------------------------------------------|-------------------------|----------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|--------------------|------------------|
| <b>As at December 31, 2023</b>            |                         |                                                          |                                                         |                                                       |                    |                  |
| Borrowings*                               | 38,896                  | 1,329                                                    | 503,846                                                 | 1,413,755                                             | 4,738,778          | 6,696,604        |
| Trade accounts payable                    | 122,306                 | 340,634                                                  | 200,991                                                 | –                                                     | –                  | 663,931          |
| Financial guarantees**                    | –                       | 64                                                       | –                                                       | 46,555                                                | –                  | 46,619           |
| Lease liabilities                         | 3,478                   | 2,035                                                    | 11,886                                                  | 27,833                                                | 60,617             | 105,849          |
| Other financial liabilities               | 71,323                  | 24,605                                                   | 69,792                                                  | 25,441                                                | 414                | 191,575          |
|                                           | <b>236,003</b>          | <b>368,667</b>                                           | <b>786,515</b>                                          | <b>1,513,584</b>                                      | <b>4,799,809</b>   | <b>7,704,578</b> |
| <b>As at December 31, 2022 (restated)</b> |                         |                                                          |                                                         |                                                       |                    |                  |
| Borrowings*                               | 45,216                  | 2,028                                                    | 508,484                                                 | 1,868,769                                             | 4,988,819          | 7,413,316        |
| Trade accounts payable                    | 105,697                 | 297,295                                                  | 162,100                                                 | –                                                     | –                  | 565,092          |
| Lease liabilities                         | 2,890                   | 1,720                                                    | 12,410                                                  | 39,080                                                | 26,216             | 82,316           |
| Other financial liabilities               | 56,278                  | 19,598                                                   | 366,088                                                 | 18,544                                                | –                  | 460,508          |
|                                           | <b>210,081</b>          | <b>320,641</b>                                           | <b>1,049,082</b>                                        | <b>1,926,393</b>                                      | <b>5,015,035</b>   | <b>8,521,232</b> |

\* The Group excludes from the maturity profile table the borrowings payable to project partners under the carry-in financing agreements, due to the uncertainty of maturity of these loans. As of December 31, 2023, the borrowings due to partners were 57,656 million tenge (December 31, 2022: 23,768 million tenge).

\*\* The Group includes financial guarantees to the maturity profile table, however, the cash outflow in relation to financial guarantees is subject to certain conditions. Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. In 2023 and 2022 there was no significant instances of financial guarantees execution.

**Capital management**

The primary objective of the Group’s capital management is to maximise the shareholder value. The Group manages its capital to ensure that Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company seeks to maintain a prudent capital structure to support its capital investment plans and maintain investment grade credit rating through the cycle. Maintaining sufficient financial flexibility is considered strategically important to mitigate industry cyclicality while also enabling the pursuit of organic and inorganic investment opportunities. The Company has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt incurrence.

For the purpose of the Group’s capital management, the capital structure of the Group consists of borrowings disclosed in Note 28 less cash (Note 26) and short-term deposits (Note 21) and equity, comprising share capital, additional paid-in capital, other reserves and retained earnings as disclosed in Note 27.

The Group’s management regularly reviews the capital structure. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Also to achieve this overall objective, the Group’s capital management, among other things, aims to ensure that it meets financial covenants attached to borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any borrowing in the years ended December 31, 2023 and 2022 (Note 28).

| <i>In millions of tenge</i>                               | December 31, 2023 | December 31, 2022 (restated) |
|-----------------------------------------------------------|-------------------|------------------------------|
| Borrowings                                                | 3,757,094         | 4,154,386                    |
| less: cash, cash equivalents and short-term bank deposits | 2,111,776         | 2,000,552                    |
| <b>Net debt</b>                                           | <b>1,645,318</b>  | <b>2,153,834</b>             |
| Equity                                                    | 10,394,397        | 9,867,426                    |
| <b>Capital and net debt</b>                               | <b>12,039,715</b> | <b>12,021,260</b>            |

No changes were made in the overall strategy, objectives, policies or processes for managing capital during the years ended December 31, 2023 and 2022.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments**

The carrying amount of the Group financial instruments as at December 31, 2023 and 2022 are reasonable approximation of their fair value, except for the financial instruments disclosed below:

| <i>In millions of tenge</i>                                                            | December 31, 2023 |                  |                                   |                |               | December 31, 2022 (restated) |            |                                   |         |         |
|----------------------------------------------------------------------------------------|-------------------|------------------|-----------------------------------|----------------|---------------|------------------------------|------------|-----------------------------------|---------|---------|
|                                                                                        | Carrying amount   | Fair value       | Fair value by level of assessment |                |               | Carrying amount              | Fair value | Fair value by level of assessment |         |         |
|                                                                                        |                   |                  | Level 1                           | Level 2        | Level 3       |                              |            | Level 1                           | Level 2 | Level 3 |
| Bonds receivable from Samruk-Kazyna                                                    | <b>20,963</b>     | <b>16,797</b>    | –                                 | <b>16,797</b>  | –             | 19,595                       | 20,138     | –                                 | 20,138  | –       |
| NB RK notes                                                                            | <b>43,708</b>     | <b>43,708</b>    | –                                 | <b>43,708</b>  | –             | 70,192                       | 70,192     | –                                 | 70,192  | –       |
| Loans and receivables due from related parties at fair value through profit and loss   | <b>99,901</b>     | <b>99,901</b>    | –                                 | –              | <b>99,901</b> | 130,690                      | 130,690    | –                                 | –       | 130,690 |
| Loans given to related parties at amortized cost, lease receivables from joint venture | <b>48,299</b>     | <b>48,502</b>    | –                                 | –              | <b>48,502</b> | 29,254                       | 29,242     | –                                 | –       | 29,242  |
| Fixed interest rate borrowings                                                         | <b>3,253,754</b>  | <b>3,051,997</b> | <b>2,452,370</b>                  | <b>599,627</b> | –             | 3,595,474                    | 3,166,699  | 2,476,894                         | 689,805 | –       |
| Floating interest rate borrowings                                                      | <b>503,340</b>    | <b>503,340</b>   | –                                 | <b>503,340</b> | –             | 558,912                      | 558,912    | –                                 | 558,912 | –       |

The fair value of bonds receivable from the Samruk-Kazyna and other debt instruments have been calculated by discounting the expected future cash flows at market interest rates.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments (continued)**

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy are shown below:

|                                                                                        | Valuation technique         | Significant unobservable inputs | Range as of December 31, |           |
|----------------------------------------------------------------------------------------|-----------------------------|---------------------------------|--------------------------|-----------|
|                                                                                        |                             |                                 | 2023                     | 2022      |
| Loans given to related parties at amortized cost, lease receivables from joint venture | Discounted cash flow method | Interest and discount rate      | 7.30-18.5%               | 6.4-18.9% |
| Financial guarantee issued                                                             |                             |                                 | 7.8%                     | –         |

**36. CONTINGENT LIABILITIES AND COMMITMENTS****Operating environment**

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

**Commodity price risk**

The Group generates most of its revenue from the sale of commodities, primarily crude oil and oil products. Historically, the prices of these products have been volatile and have fluctuated widely in response to changes in supply and demand, market uncertainty, the performance of the global or regional economies and cyclicity in industries. Prices may also be affected by the Government actions, including the imposition of tariffs and import duties, speculative trades, an increase in capacity or oversupply of the Group’s products in its main markets. These external factors and the volatility of the commodity markets make it difficult to estimate future prices. A substantial or extended decline in commodity prices would materially and adversely affect the Group’s business and the consolidated financial results and cash flows of operations. The Group mainly does not hedge its exposure to the risk of fluctuations in the price of its products.

**Taxation**

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan’s tax laws are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of the Republic of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.

Management believes that as at December 31, 2023 its interpretation of the relevant legislation is appropriate and that it is probable that the Group’s tax positions will be sustained, except as provided for or otherwise disclosed in these consolidated financial statements.

**Transfer pricing control**

Transfer pricing control in Kazakhstan has a very wide scope and applies to many transactions that directly or indirectly relate to international business regardless of whether the transaction participants are related or not. *The transfer pricing legislation* requires that all taxes applicable to a transaction should be calculated based on market price determined in accordance with the arm’s length principle. The law on transfer pricing came into force in Kazakhstan from January 1, 2009. The law is not explicit and there is little precedence with some of its provisions. Moreover, the law is not supported by detailed guidance for application of transfer pricing control to various types, as a result, there is a risk that the tax authorities may take a position that differs from the Group’s position, which could result in additional taxes, fines and interest. As at December 31, 2023 management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group’s positions with regard to transfer pricing will be sustained.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**36. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Comprehensive tax audit at oil refineries of the Group**

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and Shymkent refinery were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and reduction in tax carry-forward losses for 119,871 million tenge.

Atyrau refinery, Pavlodar refinery and Shymkent refinery did not agree with the assessment and appealed to the Ministry of Finance of RK. Shymkent refinery partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3.694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of Shymkent refinery made on November 15, 2021 by the Civil Chamber of the Shymkent City Court. Shymkent refinery continues to work to appeal the decision.

At all three refineries there are additional accruals on similar issues for VAT in the total amount of 33,709 million tenge, for corporate income tax 12,146 million tenge, including penalties on all additional accruals and a reduction in carry-forward losses for 15,040 million tenge.

**Legal issues and claims****The civil litigation at KMGI**

Faber Invest & Trade Inc. (further Faber), the non-controlling shareholder of KMGI subsidiaries, resumed several previous civil filings in 2020, one of which challenged the increase in the Rompetrol Rafinare Constanta, the KMGI subsidiary, share capital in 2003-2005. The hearings have been held periodically, but no final decisions were made. On July 13, 2021, the court rejected the complaint of Faber. However, Faber appealed against this decision. Based on the results of the hearing in December 2021, the court granted the complaint and returned the case for reconsideration.

Most of Faber's lawsuits were dismissed by the Supreme Court in May and September 2022, including an appeal filed by Faber challenging Faber's corporate documents approving the bond issue and paying off historical budget debts filed after the statute of limitations, hence the first judgment in favor of Rompetrol Rafinare Constanta became final. Faber filed the same lawsuit for the third time, but now in the court of Constanta. In January 2023, hearings were held on the claims filed by Faber. Faber withdrew its claims in two cases, and the court postponed the decision. The next hearing in the Faber case is scheduled for March 2023.

The Group believes that its position regarding Faber's new application will be resolved in a similar manner to other similar proceedings resolved in favor of the Group. Accordingly, the Group did not recognize a provision in this case as of December 31, 2023.

**Civil legal dispute between the National Mineral Resources Agency (NAMR) and Oilfield Exploration Business Solutions S.A (OEBS), subsidiary of KMGI, at the Focsani field**

On December 17, 2019 OEBS has been noticed by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On July 29, 2022 the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total NAMR claim of 20 million U.S. dollars. In 2022, the Group recognized a provision in the amount of 10.1 million dollars (equivalent to 4,673 million tenge (*Note 30*)). As at December 31, 2023, the Group had not made any payments to NAMR, and the Group believes that no changes to the assessment of provision are required.

**Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022. RPM has filed an appeal and a first hearing is scheduled for March 21, 2023. In 2022, the Group recognized a provision in the amount of 12 million dollars (equivalent to 5,552 million tenge) (*Note 30*). During 2023, RPM filed in an appeal and the first hearing was scheduled for October 4, 2023, however, the court rejected the appeal. The second appeal was filed in on January 24, 2024. A hearing date has not been scheduled. As at December 31, 2023 the Group believes that no changes to the assessment of provision are required.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**36. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****The case of arbitration between KazRosGas LLP, a joint venture of the company, (further KRG) and Karachaganak Petroleum Operating B.V. (further KPO)**

On August 23, 2022, the Secretariat of the International Chamber of Commerce in Paris submitted to KRG a Notice of Initiation of Arbitration Proceedings by KPO, which is the operator under the Final Production Sharing Agreement for the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, with amendments and additions (further FPSA). KPO intends to increase the gas sale price under the existing Karachaganak Gas Purchase and Sale Agreement. If the gas price is agreed later than October 1, 2022, KRG and KPO shall recalculate the gas price for the period from October 1, 2022 to the date of the price agreement.

In October 2022, a working group was established to develop a negotiating position of the Kazakh side on the peaceful settlement of the dispute over the arbitration process between the KRG and KPO, chaired by the First Vice Minister of Energy of RK. The working group also includes representatives of the Ministry of Energy of RK, JSC "NC "QazaqGaz", KMG and KRG.

In August 2023, the Tribunal approved the Procedural Timetable for the Arbitration (further Arbitration Timetable), according to which the final hearing is scheduled for the week of November 18, 2024, and the deadline for the Tribunal to make decision is until the end of March 2025.

On September 29, 2023, KPO sent a detailed claim to the Tribunal and this claim was provided to KRG. According to the Arbitration Timetable, the KRG provides a response to the claim by December 22, 2023. Following the meeting on December 22, 2023, the KRG's response to the KPO claim was prepared and sent to Arbitration. In January, 2024, a meeting was held between the Ministry of Energy of the Republic of Kazakhstan, KPO, KMG and the KRG for the purpose of a peaceful settlement. The agreement has not been yet reached. Still, the Group believes that the risk of loss is not probable as of December 31, 2023.

**The case of an administrative offense of the Pavlodar refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Pavlodar region**

In 2022 the Prosecutor's Office of the Pavlodar region together with the Antimonopoly agency conducted an inspection of the Pavlodar refinery operations for compliance with the legislation of the RK in the field of oil and petroleum products turnover, labor, tax and antimonopoly legislation for 2020-2021. On March 16, 2022 Antimonopoly agency issued the Conclusion which stated that Pavlodar refinery set monopolistically high tariff for oil refining services. On July 25, 2022, Antimonopoly agency of the Pavlodar region initiated an administrative offence and issued a Protocol to the Specialized Court for Administrative Offenses of Pavlodar city for setting by the Pavlodar refinery monopolistically high tariff for oil refining services in 2021 and to confiscate revenue for 2021 of 21,961 million tenge and impose fine of 6,226 million tenge.

On June 9, 2023, Specialized Court for Administrative Offenses of Pavlodar city issued a resolution to terminate administrative proceedings. On June 30, 2023, Decree on the consumption of administrative proceedings and the cancellation of the protocol entered into legal force. As a result, in June 2023, Pavlodar refinery recovered a provision accrued in 2022 in the amount of 28,187 million tenge and recognized in other operating income (*Note 30*).

**Environmental issues**

In 2021, a new Environmental Code came into force, which increases the responsibility of industrial enterprises for environmental pollution, and also provides for the introduction of a waste management hierarchy and the construction of waste energy recycling plants. According to the Environmental Code, facilities belonging to category I after the cessation of operation of facilities that have a negative impact on the environment must eliminate the consequences of the operation of such facilities and provide the authorized body in the field of environmental protection with financial security for obligations related to the elimination of the consequences of the activity within three years, starting July 1, 2021. In accordance with the Environmental Code of the Republic of Kazakhstan, the Company has legal obligations to dismantle and liquidate fixed assets and restore land plots. As of December 31, 2023, the Group's largest oil refineries: Atyrau and Pavlodar Oil Refineries recognized a provision in the amount of 39,271 million tenge (*Note 30*), which is equal to the present value of future cash outflows associated with the dismantling of the plant and land reclamation. For tax purposes, the Company did not take into an account these expected expenses as part of deferred taxes, since it does not expect taxable profit after the liquidation of assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**36. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Environmental audits**

The Atyrau Region Department of Ecology of the Environmental Regulation and Supervision Committee at the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (hereinafter referred to as the “Department of Ecology”) undertook an inspection of the onshore facilities of North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (hereinafter referred to as the “Operator”). Based on the results of the inspection, the Operator was issued an order to rectify violations. One of the specific issues highlighted pertains to the overstocking of sulfur in the amount of 1,020 thousand tons.

The Operator did not agree with the inspection results and hence, filed an administrative lawsuit to dispute the aforementioned order. On June 14, 2023, the Specialized Inter-District Administrative Court of Astana made a ruling in favour of the Operator in relation to the disputed sulfur storage. On February 27, 2024 the SIAC of Astana considered the appeal from the Department of Ecology and ruled against the Operator. This ruling will be appealed in the Supreme Court. Should the Operator be held accountable as per the administrative ruling, the fine amount will be determined in line with the Administrative Code of the Republic of Kazakhstan. As at December 31, 2023 no provisions pertaining to this inspection have been recognized by the Group.

**Cost recovery audits**

Kashagan has a share of 16.88% in the North Caspian Production Sharing Agreement dated November 18, 1997, as amended (further PSA).

KMG Karachaganak LLP, subsidiary of the Company, has a share of 10% in the Final Production Sharing Agreement in respect of the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, as amended (further FPSA).

Under the base principles of the PSA and FPSA, the RK transferred to the participants of these agreements (further Contractors) the exclusive rights to conduct activities in the subsurface areas, but did not transfer neither ownership rights, nor lease rights to these areas. Thus, all extracted and processed oil (i.e. the hydrocarbons produced) are the property of the RK.

Subsoil use operations are carried out on the basis of reimbursement of certain expenditures and the RK reimburses such expenditures to Contractors not in cash but in the form of the portion of oil production, thereby allowing Contractors to recover their expenditures (further Recoverable Costs) and earn profit.

PSA and FPSA provides for a procedure of expense reimbursement and determine the list of expenses that are not Recoverable Costs.

PSA LLP conducts audits of Recoverable Costs as an organization authorized to act on behalf of the RK within the framework of the PSA and FPSA (further the Authorized Body).

The RK and the Contractors under the PSA and FPSA (except for Kashagan and KMG Karachaganak LLP) have a number of disputes concerning the application of certain PSA and FPSA provisions, which are subject to arbitration and expert determination under the PSA and FPSA. The Contractors consider that they have acted in accordance with the PSA and FPSA, the RK laws and applicable standards and best practices. As of December 31, 2023, the Republic of Kazakhstan and the Contractors have appointed their arbitrators.

**Kazakhstan local market obligation**

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue (not less than cost of production) than crude oil sold on the export market, which may materially and adversely affect the Group’s business, prospects, consolidated financial position and performance.

In 2023, in accordance with its obligations, the Group delivered to the Kazakhstan market 7,619 thousand tons of crude oil, including its share in the joint ventures and associates in the total volume of 2,639 thousand tons (2022: 7,951 thousand tons, including its share in the joint ventures and associates of 3,044 thousand tons).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****36. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Commitments under subsoil use contracts**

As at December 31, 2023, the Group had the following commitment (net of VAT) related to minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenditures, including joint ventures and associates</b> | <b>Operational expenditures of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                          |                                                                  |
| 2024                        | 342,291                                                              | 25,633                                                       | 76,014                                                                   | 69,296                                                           |
| 2025                        | 262,118                                                              | 7,690                                                        | 22,549                                                                   | 11,650                                                           |
| 2026                        | 285,609                                                              | 10,933                                                       | 20,392                                                                   | 12,330                                                           |
| 2027                        | 352,313                                                              | 6,344                                                        | 18,876                                                                   | 13,026                                                           |
| 2028-2049                   | 340,207                                                              | 7,316                                                        | 41,345                                                                   | 13,567                                                           |
| <b>Total</b>                | <b>1,582,538</b>                                                     | <b>57,916</b>                                                | <b>179,176</b>                                                           | <b>119,870</b>                                                   |

As at December 31, 2022 commitments (net of VAT) under subsoil use contracts included:

| <i>In millions of tenge</i> | <b>Capital expenditures, including joint ventures and associates</b> | <b>Capital expenditures of joint ventures and associates</b> | <b>Operational expenditures, including joint ventures and associates</b> | <b>Operational expenditures of joint ventures and associates</b> |
|-----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Year</b>                 |                                                                      |                                                              |                                                                          |                                                                  |
| 2023                        | 314,158                                                              | 15,136                                                       | 80,598                                                                   | 76,125                                                           |
| 2024                        | 223,085                                                              | 7,513                                                        | 14,328                                                                   | 9,804                                                            |
| 2025                        | 306,900                                                              | 7,930                                                        | 14,803                                                                   | 10,206                                                           |
| 2026                        | 339,652                                                              | 8,434                                                        | 14,927                                                                   | 10,368                                                           |
| 2027-2048                   | 230,333                                                              | 9,766                                                        | 31,573                                                                   | 11,225                                                           |
| <b>Total</b>                | <b>1,414,128</b>                                                     | <b>48,779</b>                                                | <b>156,229</b>                                                           | <b>117,728</b>                                                   |

**Oil supply commitments**

As of December 31, 2023, Kashagan had commitments under the oil supply agreements in the total amount of 3.0 million tons (December 31, 2022: 4.5 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.

**Other contractual commitments**

As at December 31, 2023, the Group, had other capital commitments related to acquisition and construction of long-lived assets of approximately 166,049 million tenge, net of VAT, including its share in joint ventures commitments of 15,465 (as at December 31, 2022: 240,794 million tenge, net of VAT, including its share in joint ventures commitments of 13,346 million tenge).

As at December 31, 2023, the Group had commitments in the total amount of 93,919 million tenge (as at December 31, 2022: 152,824 million tenge) under the investment programs approved by the joint order of Ministry of Energy of RK and *Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of RK* to facilitate production units.

**Non-financial guarantees**

As of December 31, 2023 and 2022, the Group has outstanding performance guarantees issued in favour of third parties whereas it provides guarantee should its joint venture or associate fail to perform their obligations under the natural gas purchase-sale, transportation and other agreements.

As of December 31, 2023 and 2022, the management of the Group believes that there were no expected cases of non-performance from the guaranteed parties and, accordingly, no obligations related to the above stated non-financial contingencies were recognized.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****37. SEGMENT REPORTING**

The Group’s operating segments have their own structure and management according to the type of the produced goods and services provided. Moreover, all segments are strategic directions of the business which offer different types of the goods and services in different markets. The functions have been defined as the operating segments of the Group because they are segments a) that engages in business activities from which revenues are generated and expenses incurred; b) whose operating results are regularly reviewed by the Group’s chief operating decision makers to make decisions.

The Group’s activity consists of three main operating segments: exploration and production of oil and gas, oil transportation, and refining and trading of crude oil and refined products. The Group presents the Company’s activities separately in Corporate segment, since the Company performs not only the functions of the parent company, but also carries out operational activities. The remaining operating segments have been aggregated and presented as other operating segment due to their insignificance.

Disaggregation of revenue by types of goods and services is presented in *Note 9* to the consolidated financial statements.

As at December 31, 2023 and 2022 disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

| December 31, 2023                |                                           |                    |                                                        |                |                |                  |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
| <i>In millions of tenge</i>      | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          | Total            |
| Sales of crude oil and gas       | 887,301                                   | –                  | 3,740,824                                              | –              | –              | 4,628,125        |
| Sales of refined products        | 4,948                                     | –                  | 2,008,452                                              | 823,828        | 11,693         | 2,848,921        |
| Refining of oil and oil products | –                                         | –                  | 248,058                                                | –              | –              | 248,058          |
| Oil transportation services      | –                                         | 218,890            | 1,892                                                  | 5,172          | 188            | 226,142          |
| Other revenue                    | 17,519                                    | 48,112             | 145,676                                                | 1,668          | 155,322        | 368,297          |
| <b>Total</b>                     | <b>909,768</b>                            | <b>267,002</b>     | <b>6,144,902</b>                                       | <b>830,668</b> | <b>167,203</b> | <b>8,319,543</b> |

| December 31, 2022 (restated)     |                                           |                    |                                                        |                |                |                  |
|----------------------------------|-------------------------------------------|--------------------|--------------------------------------------------------|----------------|----------------|------------------|
| <i>In millions of tenge</i>      | Exploration and production of oil and gas | Oil transportation | Refining and trading of crude oil and refined products | Corporate      | Other          | Total            |
| Sales of crude oil and gas       | 668,270                                   | –                  | 3,925,701                                              | –              | –              | 4,593,971        |
| Sales of refined products        | 4,334                                     | –                  | 2,577,156                                              | 775,804        | 12,566         | 3,369,860        |
| Refining of oil and oil products | –                                         | –                  | 204,390                                                | –              | –              | 204,390          |
| Oil transportation services      | –                                         | 184,042            | 1,493                                                  | 1,810          | 188            | 187,533          |
| Other revenue                    | 25,318                                    | 46,324             | 122,484                                                | 1,451          | 141,750        | 337,327          |
| <b>Total</b>                     | <b>697,922</b>                            | <b>230,366</b>     | <b>6,831,224</b>                                       | <b>779,065</b> | <b>154,504</b> | <b>8,693,081</b> |

Segment performance is evaluated based on revenues, net profit and adjusted EBITDA, which are measure on the same basis as in the consolidated financial statements.

EBITDA is a supplemental non-IFRS financial measure used by management to evaluate segments performance, and is defined as earnings before depreciation, depletion and amortization, impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and assets classified as held for sale, exploration expenses, impairments of joint ventures and associates, finance income and expense, income tax expenses.

EBITDA, % is calculated as EBITDA of each reporting segment divided by the total EBITDA.

Eliminations and adjustments represent the exclusion of intra-group turnovers. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily comply with market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

**Geographic information**

The Group’s property, plant and equipment (*Note 18*) are located in the following countries:

| <i>In millions of tenge</i> | 2023             | 2022 (restated)  |
|-----------------------------|------------------|------------------|
| Kazakhstan                  | 6,627,783        | 6,320,568        |
| Other countries             | 553,423          | 673,433          |
|                             | <b>7,181,206</b> | <b>6,994,001</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****37. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2023 and assets and liabilities as at December 31, 2023 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                       | Exploration and<br>production of oil<br>and gas | Oil<br>transportation | Refining and<br>trading of crude<br>oil and refined<br>products | Corporate        | Other           | Eliminations and<br>adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|-----------------------------------------------------------------|------------------|-----------------|---------------------------------|-------------------|
| Revenues from sales to external customers                                                                                                                                                                         | 909,768                                         | 267,002               | 6,144,902                                                       | 830,668          | 167,203         | –                               | 8,319,543         |
| Revenues from sales to other segments                                                                                                                                                                             | 1,415,539                                       | 165,242               | 180,601                                                         | 81,526           | 145,221         | (1,988,129)                     | –                 |
| <b>Total revenue</b>                                                                                                                                                                                              | <b>2,325,307</b>                                | <b>432,244</b>        | <b>6,325,503</b>                                                | <b>912,194</b>   | <b>312,424</b>  | <b>(1,988,129)</b>              | <b>8,319,543</b>  |
| Cost of purchased oil, gas, petroleum products and other materials                                                                                                                                                | (47,394)                                        | (19,317)              | (5,434,580)                                                     | (544,457)        | (44,376)        | 1,468,243                       | (4,621,881)       |
| Production expenses                                                                                                                                                                                               | (534,569)                                       | (252,477)             | (395,067)                                                       | (212,249)        | (244,880)       | 419,520                         | (1,219,722)       |
| Taxes other than income tax                                                                                                                                                                                       | (424,909)                                       | (19,181)              | (17,673)                                                        | (122,151)        | (10,166)        | –                               | (594,080)         |
| Transportation and selling expenses                                                                                                                                                                               | (191,482)                                       | (10,514)              | (99,055)                                                        | (10,505)         | –               | 66,031                          | (245,525)         |
| General and administrative expenses                                                                                                                                                                               | (43,104)                                        | (17,453)              | (56,193)                                                        | (50,932)         | (24,992)        | 14,882                          | (177,792)         |
| Share in profit of joint ventures and associates, net                                                                                                                                                             | 356,257                                         | 85,161                | 70,926                                                          | –                | 21,833          | –                               | 534,177           |
| <b>EBITDA</b>                                                                                                                                                                                                     | <b>1,440,106</b>                                | <b>198,463</b>        | <b>393,861</b>                                                  | <b>(28,100)</b>  | <b>9,843</b>    | <b>(19,453)</b>                 | <b>1,994,720</b>  |
| <b>EBITDA, %</b>                                                                                                                                                                                                  | <b>72%</b>                                      | <b>10%</b>            | <b>20%</b>                                                      | <b>(1%)</b>      | <b>–</b>        | <b>(1%)</b>                     |                   |
| Depreciation, depletion and amortization                                                                                                                                                                          | (415,759)                                       | (39,611)              | (132,971)                                                       | (3,549)          | (9,314)         | –                               | (601,204)         |
| Finance income                                                                                                                                                                                                    | 16,904                                          | 10,701                | 38,305                                                          | 120,971          | 16,157          | (55,793)                        | 147,245           |
| Finance costs                                                                                                                                                                                                     | (28,780)                                        | (8,774)               | (116,256)                                                       | (193,272)        | (6,952)         | 31,961                          | (322,073)         |
| Impairment of property, plant and equipment, intangible assets and exploration expenses                                                                                                                           | (130,502)                                       | (1,658)               | (100,809)                                                       | –                | 2,389           | –                               | (230,580)         |
| Income tax expenses                                                                                                                                                                                               | (154,885)                                       | (9,307)               | (36,969)                                                        | (67,780)         | (1,407)         | –                               | (270,348)         |
| <b>Profit/(loss) for the year from continuing operations</b>                                                                                                                                                      | <b>218,275</b>                                  | <b>35,510</b>         | <b>79,165</b>                                                   | <b>662,071</b>   | <b>(11,719)</b> | <b>(58,841)</b>                 | <b>924,461</b>    |
| <b>Other segment information</b>                                                                                                                                                                                  |                                                 |                       |                                                                 |                  |                 |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                      | 4,056,464                                       | 536,576               | 129,442                                                         | –                | 98,945          | –                               | 4,821,427         |
| Capital expenditures                                                                                                                                                                                              | 389,846                                         | 193,008               | 153,989                                                         | 44,097           | 22,597          | –                               | 803,537           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets | (14,486)                                        | (7,365)               | (50,362)                                                        | (35,150)         | (10,850)        | –                               | (118,213)         |
| <b>Assets of the segment</b>                                                                                                                                                                                      | <b>11,568,853</b>                               | <b>1,475,597</b>      | <b>3,093,384</b>                                                | <b>1,863,189</b> | <b>428,372</b>  | <b>(1,486,683)</b>              | <b>16,942,712</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                 | <b>1,627,121</b>                                | <b>370,240</b>        | <b>1,844,841</b>                                                | <b>4,549,994</b> | <b>136,991</b>  | <b>(1,980,872)</b>              | <b>6,548,315</b>  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****37. SEGMENT REPORTING (continued)**

The following represents information about profit and loss for 2022 and assets and liabilities as at December 31, 2022 of operating segments of the Group:

| <i>In millions of tenge</i>                                                                                                                                                                                       | Exploration and<br>production of<br>oil and gas | Oil<br>transportation | Refining and<br>trading of<br>crude oil and<br>refined<br>products | Corporate        | Other           | Eliminations and<br>adjustments | Total             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------|--------------------------------------------------------------------|------------------|-----------------|---------------------------------|-------------------|
| Revenues from sales to external customers*                                                                                                                                                                        | 697,922                                         | 230,366               | 6,831,224                                                          | 779,065          | 154,504         | –                               | 8,693,081         |
| Revenues from sales to other segments*                                                                                                                                                                            | 1,569,854                                       | 151,266               | 154,147                                                            | 82,486           | 125,585         | (2,083,338)                     | –                 |
| <b>Total revenue*</b>                                                                                                                                                                                             | <b>2,267,776</b>                                | <b>381,632</b>        | <b>6,985,371</b>                                                   | <b>861,551</b>   | <b>280,089</b>  | <b>(2,083,338)</b>              | <b>8,693,081</b>  |
| Cost of purchased oil, gas, petroleum products and other materials*                                                                                                                                               | (39,249)                                        | (18,645)              | (6,007,073)                                                        | (471,008)        | (38,972)        | 1,614,771                       | (4,960,176)       |
| Production expenses*                                                                                                                                                                                              | (470,203)                                       | (211,538)             | (433,634)                                                          | (189,323)        | (218,212)       | 378,669                         | (1,144,241)       |
| Taxes other than income tax*                                                                                                                                                                                      | (534,565)                                       | (17,376)              | (15,358)                                                           | (100,782)        | (9,840)         | –                               | (677,921)         |
| Transportation and selling expenses*                                                                                                                                                                              | (166,841)                                       | (15,212)              | (78,555)                                                           | (9,415)          | –               | 64,671                          | (205,352)         |
| General and administrative expenses*                                                                                                                                                                              | (32,854)                                        | (17,123)              | (51,531)                                                           | (30,453)         | (30,682)        | 2,164                           | (160,479)         |
| Share in profit of joint ventures and associates, net*                                                                                                                                                            | 819,011                                         | 136,499               | 57,587                                                             | –                | (21,787)        | –                               | 991,310           |
| <b>EBITDA*</b>                                                                                                                                                                                                    | <b>1,843,075</b>                                | <b>238,237</b>        | <b>456,807</b>                                                     | <b>60,570</b>    | <b>(39,404)</b> | <b>(23,063)</b>                 | <b>2,536,222</b>  |
| <b>EBITDA, %*</b>                                                                                                                                                                                                 | <b>73%</b>                                      | <b>9%</b>             | <b>18%</b>                                                         | <b>3%</b>        | <b>(2%)</b>     | <b>(1%)</b>                     |                   |
| Depreciation, depletion and amortization*                                                                                                                                                                         | (308,695)                                       | (44,760)              | (141,362)                                                          | (2,820)          | (9,263)         | –                               | (506,900)         |
| Finance income*                                                                                                                                                                                                   | 556,187                                         | 4,212                 | 19,747                                                             | 137,177          | 16,776          | (613,496)                       | 120,603           |
| Finance costs*                                                                                                                                                                                                    | (28,673)                                        | (6,908)               | (127,869)                                                          | (717,341)        | (5,972)         | 578,708                         | (308,055)         |
| Impairment of property, plant and equipment, intangible assets and exploration expenses*                                                                                                                          | (11,653)                                        | 472                   | (9,682)                                                            | –                | 946             | –                               | (19,917)          |
| Income tax expenses*                                                                                                                                                                                              | (307,826)                                       | (53,133)              | (80,692)                                                           | (49,215)         | (1,511)         | –                               | (492,377)         |
| <b>Profit/(loss) for the year from continuing operations*</b>                                                                                                                                                     | <b>1,474,001</b>                                | <b>42,027</b>         | <b>30,477</b>                                                      | <b>(168,543)</b> | <b>(39,315)</b> | <b>(32,087)</b>                 | <b>1,306,560</b>  |
| <b>Other segment information</b>                                                                                                                                                                                  |                                                 |                       |                                                                    |                  |                 |                                 |                   |
| Investments in joint ventures and associates                                                                                                                                                                      | 4,179,880                                       | 582,862               | 102,569                                                            | –                | 82,092          | –                               | 4,947,403         |
| Capital expenditures*                                                                                                                                                                                             | 321,014                                         | 68,276                | 111,714                                                            | 17,678           | 16,283          | –                               | 534,965           |
| Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets | (6,197)                                         | (10,966)              | (47,786)                                                           | (28,912)         | (9,066)         | –                               | (102,927)         |
| <b>Assets of the segment</b>                                                                                                                                                                                      | <b>11,637,703</b>                               | <b>1,373,621</b>      | <b>3,004,932</b>                                                   | <b>1,445,989</b> | <b>386,151</b>  | <b>(1,191,506)</b>              | <b>16,656,890</b> |
| <b>Liabilities of the segment</b>                                                                                                                                                                                 | <b>1,427,150</b>                                | <b>311,632</b>        | <b>1,988,310</b>                                                   | <b>4,584,712</b> | <b>120,799</b>  | <b>(1,643,139)</b>              | <b>6,789,464</b>  |

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2021 and reflect adjustments made, refer to Note 7.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**38. SUBSEQUENT EVENTS*****Loss of control over the subsidiary***

On February 21, 2024, KMG signed a purchase and sale agreement with PJSC Tatneft, a third party, for a sale of 50% shares of Karaton Operating Ltd., a wholly owned subsidiary of KMG, for cash consideration of 18.2 million US dollars (equivalent to 8,255 million tenge on the date of disposal of the subsidiary). As a result, the Group lost control over the subsidiary and recognized investment in joint venture.

***Dividends received***

On March 12, 2024, the Company received dividends from TCO, the joint venture, of 85 million US dollars (equivalent to 38,191 million tenge).



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