Embamunaigas Joint Stock Company

Financial Statements in accordance with International Financial Reporting Standards and Independent Auditor's Report

31 December 2025

Contents

Independent Auditor's Report

To the Shareholder, the Board of Directors and Management of Embamunaigas JSC

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Embamunaigas JSC (the "Company") as at 31 December 2025, and the Company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the 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 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 Company in accordance with the ethical requirements of the Law on Audit Activity that are relevant to our audit of the 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.

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

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company'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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

On behalf of PricewaterhouseCoopers LLP

Pricewaterhouse Coopers LLP

Approved 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)

Signed by:

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

23 February 2026
Astana, Kazakhstan

In thousands of tenge	Notes	31 December 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment	7	260,314,408	235,731,107
Exploration and evaluation assets	8	143,219	2,711,275
Intangible assets		1,515,992	587,895
Other financial assets	9	54,503,234	56,325,814
Deferred tax assets		10,993,536	8,127,697
Advances paid for non-current assets	10	8,507,608	1,596,970
Total non-current assets		**335,977,997**	**305,080,758**
Current assets			
Inventories	12	15,579,707	14,358,205
Corporate income tax prepayment		2,730,617	1,101,952
Taxes prepaid and VAT recoverable	11	5,142,687	10,202,562
Advances paid and deferred expenses	10	6,317,562	4,449,262
Trade and other receivables	9	38,589,791	45,641,052
Other current financial assets		1,000,000	1,132,091
Cash and cash equivalents	9	48,069,991	51,957,178
Total current assets		**117,430,355**	**128,842,302**
TOTAL ASSETS		**453,408,352**	**433,923,060**
EQUITY			
Share capital	13	162,399,820	162,399,820
Retained earnings		192,805,816	181,045,092
TOTAL EQUITY		**355,205,636**	**343,444,912**
LIABILITIES			
Non-current liabilities			
Historical obligations	14	3,793,266	5,165,924
Provisions	15	39,619,451	41,936,302
Total non-current liabilities		**43,412,717**	**47,102,226**
Current liabilities			
Historical obligations	14	2,055,920	1,769,920
Provisions	15	2,009,548	2,073,058
Mineral extraction and rent tax payable	16	18,549,833	12,856,074
Trade and other payables	17	32,174,698	26,676,870
Total current liabilities		**54,789,999**	**43,375,922**
TOTAL LIABILITIES		**98,202,716**	**90,478,148**
TOTAL LIABILITIES AND EQUITY		**453,408,352**	**433,923,060**

On behalf of the Company's management on 23 February 2026:

R.N. Tasmagambetova
Deputy General Director for Economy and Finance

N.Zh. Makhambetov
Chief Accountant

The accompanying notes on pages 5 to 35 are an integral part of these financial statements.

In thousands of tenge	Notes	2025	2024
Revenue from contracts with customers	18	410,540,844	430,694,618
Cost of sales	19	(230,121,516)	(219,511,743)
Gross profit		**180,419,328**	**211,182,875**
Selling expenses	20	(117,911,753)	(128,283,006)
General and administrative expenses	21	(13,692,542)	(12,812,169)
Exploration expenses and dry well write-off		(4,652,271)	(175,269)
Income from recovery of impairment of VAT recoverable		–	695,663
Operating profit		**44,162,762**	**70,608,094**
Finance income		5,573,878	3,629,715
Finance costs		(5,149,801)	(5,250,472)
Foreign exchange difference, net		(5,735,057)	14,294,181
Other income		2,179,955	2,162,316
Other expenses		(1,899,149)	(1,155,654)
Profit before tax		**39,132,588**	**84,288,180**
Income tax expenses	22	(9,051,637)	(16,895,759)
PROFIT FOR THE YEAR		**30,080,951**	**67,392,421**
Other comprehensive income			
The amounts of other comprehensive income to be reclassified to profit or loss in subsequent periods (net of taxes)			
Gain from revaluation on defined benefit plans	15	1,687,431	624,554
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		**1,687,431**	**624,554**
Total comprehensive income for the year, net of taxes		**31,768,382**	**68,016,975**

On behalf of the Company's management on 23 February 2026:

"Ембімұнайгаз" АҚ

R.N. Tasmagambetova
Deputy General Director for Economy and Finance

N.Zh. Makhambetov
Chief Accountant

In thousands of tenge	Notes	2025	2024
Operating activities			
Profit before tax		39,132,588	84,288,180
Adjustments to reconcile profit before tax to net cash flows			
Depreciation and impairment	7,8	40,462,253	30,046,549
Loss on disposal of property, plant and equipment and exploration assets		720,411	675,306
Unrealized gain from foreign exchange difference, net		5,735,057	(14,294,083)
Change in provisions		–	(3,411,573)
Recovery of ECL expenses and impairment of advances paid	21	162,282	(104,352)
Finance costs		5,149,801	5,250,472
Finance income		(5,573,878)	(3,629,715)
Other non-cash expenses		654,586	–
Operating cash flows before working capital changes		**86,443,100**	**98,820,784**
Working capital adjustments			
Change in inventories		(1,226,862)	(256,946)
Change in taxes prepaid		5,059,880	810,187
Change in advances paid and deferred expenses		(8,778,942)	2,559,271
Change in trade accounts receivable		6,440,911	6,550,395
Change in trade and other accounts payable		8,244,048	(1,089,748)
Change in other current financial assets		120,772	527,636
Change in mineral extraction tax and rent tax payable		5,693,759	(6,433,927)
Payments on historical obligations	15	(1,373,504)	–
Cash flows from operating activities		**100,623,162**	**101,486,500**
Interest received		4,330,758	3,550,021
Income tax paid		(13,546,141)	(17,485,076)
Net cash flows from operating activities		**91,407,779**	**87,551,445**
Investing activities			
Purchase of other financial assets		(40,176,042)	(6,215,502)
Sale of other financial assets		40,192,740	5,083,411
Purchase of property, plant and equipment		(71,220,554)	(47,303,361)
Purchase of intangible assets		(684,160)	(101,438)
Placement of long-term deposits		(756,206)	(2,390,113)
Withdrawal of long-term deposits		747,023	2,219,636
Net cash flows used in investing activities		**(71,897,199)**	**(48,707,368)**
Financing activities			
Dividends paid to the Parent Company	13	(20,007,658)	(10,003,829)
Payments on historical obligations	15	–	(2,494,787)
Net cash flows used in financing activities		**(20,007,658)**	**(12,498,616)**
Net change in cash and cash equivalents		**(497,078)**	**26,345,461**
Cash and cash equivalents as at 1 January		51,957,179	21,746,518
Foreign exchange difference, net		(3,390,110)	3,865,199
Cash and cash equivalents as at 31 December	8	**48,069,991**	**51,957,178**

On behalf of the Company's management on 23 February 2026:

"Ембімұнайгаз" АҚ

R.N. Tasmagambetova
Deputy General Director for Economy and Finance

N.Zh. Makhambetov
Chief Accountant

In thousands of tenge	Note	Share capital	Retained earnings	Total
At 1 January 2024		162,399,820	123,031,946	285,431,766
Profit for the year		–	67,392,421	67,392,421
Other comprehensive income	15	–	624,554	624,554
Other comprehensive income		**–**	**68,016,975**	**68,016,975**
Dividends	13	–	(10,003,829)	(10,003,829)
At 31 December 2024		**162,399,820**	**181,045,092**	**343,444,912**
Profit for the year		–	30,080,951	30,080,951
Other comprehensive income	15	–	1,687,431	1,687,431
Other comprehensive income		**–**	**31,768,382**	**31,768,382**
Dividends	13	–	(20,007,658)	(20,007,658)
At 31 December 2025		**162,399,820**	**192,805,816**	**355,205,636**

On behalf of the Company's management on 23 February 2026:

R.N. Tasmagambetova
Deputy General Director for Economy and Finance

N.Zh. Makhambetov
Chief Accountant

1 Corporate Information and Principal Activities

Embamunaigas Joint Stock Company (the "Company") was incorporated in the Republic of Kazakhstan on 27 February 2012 following the decision of the Board of Directors of KazMunaiGas Exploration Production Joint Stock Company ("KMG EP") dated 31 January 2012.

The Company is engaged in exploration, development, production, processing and export of hydrocarbons. Oil and gas operations of the Company are based on oil and gas assets located in Atyrau region of Western Kazakhstan. The Company develops oil fields under the following subsoil use contracts: contract No. 37 (Kenbai oilfield), contract No. 61 (South East Novobogatinskoe oilfield), contract No. 211 (23 oilfields), contract No. 413 (15 oilfields), contract No. 327 (Taisogan block oilfield), contract No. 4955 (West Novobogatinskoe oilfield); contract No. 3577 (Karaton-Sarkamys oilfield), contract No. 4906 (Novobogat South East field (above-arch)). On February 25, 2015 addendums to extend contracts between the Ministry of Energy and Embamunaigas JSC were signed for the following contracts: contract No.37 valid until 2041, contract No. 61 valid until 2048, contract No. 211 valid until 2037, contract No. 413 valid until 2043.

In December 2025, an addendum to the Contract was executed to extend the production period at the Novobogat South East field (above-arch) field until 19 February 2051.

In October 2025, an addendum to Contract No. 3577 (Karaton-Sarkamys oilfield) was executed regarding the transition of the Karasor West field to the production stage.

The sole shareholder of the Company is NC KMG. On August 7, 2015 the National Bank of the Republic of Kazakhstan acquired 9.58% plus one share of NC KMG from SWF Samruk-Kazyna. As at 8 December 2022, 3.00% of NC KMG's shares have been available for trading on the Astana International Exchange (AIX) and KASE. On 22 December 2023, 20.00% of NC KMG's shares, which were held by SWF Samruk-Kazyna, were transferred to the Ministry of Finance of the Republic of Kazakhstan. The Government of the Republic of Kazakhstan is the sole shareholder of NWF Samruk-Kazyna.

These financial statements of the Company for the year ended 31 December 2025 were authorised for issue by the Deputy General Director for Economy and Finance and the Chief Accountant on 23 February 2025.

2 Economic Environment of the Company

Operating environment

On 24 February 2022, Russia launched a military invasion of Ukraine. In response, the United States, the European Union and a number of other states imposed widespread sanctions on Russia, including banning Russian banks from the Swift system. The future effects of the current economic situation are difficult to predict, and management's current expectations and estimates could differ from actual results. Russia is Kazakhstan's largest trade partner. Kazakhstan is also heavily reliant on the Caspian Pipeline Consortium (CPC), which carries up to 80% of its oil exports. The CPC has experienced some disruptions due to regulatory and security issues, however the risk of large-scale disruptions to CPC exports is considered low given Kazakhstan's skillful management of relations with Russia and the West.

In July 2025, Fitch Ratings, an international rating agency, affirmed Kazakhstan's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BBB' with a Stable Outlook. According to Fitch, Kazakhstan's 'BBB' rating is supported by large sovereign net foreign assets (SNFA), foreign exchange reserves, low public debt, rising gold prices, and the expansion of the Tengiz oil field beyond expected production volumes. However, these factors are undermined by high dependence on commodity exports, weak macroeconomic policies and institutional governance, and high inflation.

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. These characteristics include, but are not limited to, the existence of a national currency that is not freely convertible outside of the country and a low level of liquidity of debt and equity securities in the markets. Additionally, mining sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal and political developments, which are beyond the Company's control.

Inflation was relatively stable throughout 2025 and increased to 12.3% in December 2025 compared to 8.6% in December 2024. The economy growth increased to 6.4% in 2025 compared to 3.8% in 2024. Analysts forecast that GDP growth will remain at the level of 6.2% in 2026.

The economic environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict, and management's current expectations and estimates could differ from actual results.

3 Material Accounting Policy Information

Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards under the historical cost convention, except for financial instruments initially recognised at fair value. The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all periods presented in the statements, unless otherwise stated.

The preparation of financial statements in compliance with IFRS Accounting Standards requires the use of certain critical accounting estimates. In addition, management must rely on its judgment in applying the Company's accounting policies. Areas of accounting that involve a higher degree of estimation or complexity, and areas in which assumptions and estimates are significant to the financial statements, are identified in Note 4.

Foreign currency translation

The financial statements are presented in Kazakhstani Tenge, which is the Company's functional currency. Transactions in foreign currencies are initially recorded at the functional currency spot rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are recognized in the statement of comprehensive income.

Exchange rates

The official exchange rate of the Kazakhstan Tenge to the US dollar at 31 December 2025 and 2024 was 505.53 and 523.54 Tenge, respectively. Any translation of Tenge amounts to US dollar or any other hard currency should not be construed as a representation that such Tenge amounts have been, could be or will in the future be converted into hard currency at the exchange rate shown or at any other exchange rate.

Going concern

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, depletion and impairment.

The initial cost of assets comprises its purchase price or construction price, any costs directly attributable to bringing the asset into operation and the initial estimate of asset abandonment costs, if 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 properties are depreciated using a unit-of-production method over proved developed reserves. Certain oil and gas property assets with useful lives less than the remaining life of the fields are depreciated on a straight-line basis over useful lives of 4-15 years.

Other property, plant and equipment principally comprise buildings, machinery and equipment, which are depreciated on a straight-line basis over average useful lives of 5 to 25 years.

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 current value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the current 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 current amount of the item) is included in the statement of comprehensive income in the period the item is derecognized.

3 Material Accounting Policy Information (Continued)

Impairment of non-financial assets

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the current value of an asset may not be recoverable.

Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication of impairment exists or when annual impairment testing for an asset group is required, the Company makes a estimate of its recoverable amount.

An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the current value of the asset is increased to its recoverable amount. The increased amount may not exceed the current amount, which would have been determined, net of depreciation or amortisation, had not the impairment loss been recognized in the previous periods. Such reversal is recognized in the statement of comprehensive income.

After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life

Exploration and evaluation assets

Exploration and evaluation assets are recorded at historical cost less accumulated impairment losses. Subsoil use right at the exploration and evaluation phase includes capitalized exploration and evaluation costs and costs of acquiring exploration licenses and is recorded within intangible assets. Exploration rights costs are amortized on a straight-line basis over the estimated period of exploration.

Exploration and evaluation assets are tested for impairment, when the facts and circumstances indicate that exploration and evaluation assets' carrying amount may exceed their recoverable amount.

Intangible assets

Intangible assets other than subsoil use right are stated at cost, less accumulated amortization and accumulated impairment losses. Intangible assets include mainly computer software.

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. Computer software costs have an estimated useful life of 3 to 7 years and are amortized on a straight line basis over this period. The current value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), 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 Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company applied the practical expedient, the Company 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 Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised 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.

3 Material Accounting Policy Information (Continued)

The Company'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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through profit or loss
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. All financial assets of the Company as at 31 December 2025 and 31 December 2024 are classified as financial assets measured at amortized cost.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised from the statement of financial position where:

- the rights to receive cash flows from the asset have expired;
- The Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company 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.

ECLs are recognised in two stages. 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). 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).

3 Material Accounting Policy Information (Continued)

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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 Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. The financial asset is written off if there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives classified at the discretion of the Company as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans, borrowings and payables)

Gains or losses on liabilities held for trading are recognized in the profit or loss statement.

Financial liabilities that are designated by the Company at initial recognition as measured at fair value through profit or loss are classified in this category at the date of initial recognition and only if they meet the criteria of IFRS 9. The Company does not have any financial liabilities designated at fair value through profit or loss at its discretion.

Financial liabilities at amortized cost (loans, borrowings and payables)

This category is the most relevant to the Company. After initial recognition, trade and other payables are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

This category generally applies to trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised through the statement of comprehensive income.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded at an active market, the fair value is determined by using appropriate valuation techniques.

3 Material Accounting Policy Information (Continued)

Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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.

An analysis of fair values of financial instruments and similar information as to how they are measured are provided in Note 25.

Inventories

Inventories are recorded at the lower of cost on a first in, first out basis separately for each warehouse and net realisable value. Cost includes all costs incurred in the normal course of business in bringing each item to its present location and condition. The cost of crude oil is the cost of production, including the appropriate proportion of depreciation, depletion and amortization ("DD&A") and overheads based on normal capacity.

Net realizable value of crude oil is based on proposed selling price less any costs expected to be incurred to complete the sale. Materials and supplies inventories are carried at amounts that do not exceed the expected amounts recoverable in the normal course of business.

Value added tax (VAT)

The tax authorities permit the settlement of VAT on sales and purchases on a net basis. VAT recoverable represents VAT on domestic purchases net of VAT on domestic sales. Export sales are taxed at zero rate. However, settlement of VAT is allowed only on the basis of the results of a tax audit performed by the tax authorities to confirm the VAT recoverable.

If the effect of the time value of money is material, long-term VAT recoverable is discounted using a risk-free rate that reflects, where appropriate, the risks specific to the asset.

The carrying amount of VAT recoverable is reduced to the recoverable amount using the impairment reserve account for impairment of VAT recoverable. The amount of the impairment loss is reflected in the statement of comprehensive income as part of general and administrative expenses.

If subsequently the amount of VAT recoverable is reimbursed from the budget, the previously recognized impairment loss should be reversed using the impairment reserve account for impairment of VAT recoverable.

Cash and cash equivalents

Cash in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Equity

Common shares with discretionary dividends are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from the proceeds in equity.

3 Material Accounting Policy Information (Continued)

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 proposed before the reporting date or proposed or declared after the reporting date but before the financial statements were authorised for issue.

Provisions

Provisions are recognised when the Company 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.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks inherent in a specific liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Defined benefit obligation

The Company withholds 10% from the salary of its employees as the employees' contribution to their designated pension funds. The pension deductions are limited to a maximum of 425,000 tenge per month in 2025 (2024: 425,000 tenge per month). Under the current Kazakhstan legislation, employees are responsible for their retirement benefits. From 1 January 2014 the Company is required to contribute a mandatory 5% of the salary for a majority of its employees to their pension funds.

Long-term employee defined benefit liabilities

The Company offers to its employees long-term benefits prior to and after retirement in accordance with collective agreements between the Company and its employees and other documents. The collective agreement and other documents provide for certain one-off retirement payments, early retirement benefits, financial aid for employees' disability, anniversary and death. The entitlement to benefits is usually conditional on the employee remaining in service in the industry up to retirement age.

The expected costs of one-off benefits and early retirement benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit post-employment plans. Actuarial gains and losses that arise during the year, including the effect of changes in actuarial assumptions and past experience related to differences between actuarial assumptions and actual data, are recognized in other comprehensive income.

Other changes, including the cost of current services, the cost of past services, and the impact of workforce reductions or settlements made, are recognized in profit or loss of the current period. The cost of services of the current period represents an increase in the present value of the employee benefit obligation as a result of the Company's provision of services in the current period. The cost of past period services represents the change in the present value of the obligation under defined benefit plans as a result of amendments to the program or its reduction. The most significant assumptions used in accounting for the benefit liability are the discount rate and mortality rates. Discount rate is used to determine net present value of future liabilities and each year unwinding of discount on such liabilities is recorded in the statement of comprehensive income as finance costs. The assumption of mortality is used to forecast the future benefit payment flow, which then is discounted to arrive at the net present value of liabilities.

Employees benefits apart from lump-sum retirement benefits are considered as other employee benefits. Accrual of expected expenses on these long-term benefits is performed during employee labour activity according to the method, which is used in calculation of defined benefit schemes.

These obligations are valued by independent qualified actuaries on an annual basis.

3 Material Accounting Policy Information (Continued)

Exploration and Development Expenses for Oil and Gas Fields

Costs of acquiring exploration licenses

Costs incurred for acquiring exploration licenses are capitalized as intangible assets and amortized on a straight-line basis over the expected exploration period. Each asset is reviewed annually to confirm that drilling operations are planned. If no drilling activities are planned for an asset in the future, the remaining carrying amount of the license acquisition costs is written off. Upon the discovery of economically justifiable recoverable reserves ("proved reserves" or "commercial reserves"), amortization ceases, and the remaining costs are combined with exploration costs and recognized as proved assets by field, until the reserves are confirmed within other intangible assets. At the point of internal approval of development and receipt of all licenses and permits from relevant regulatory authorities, the related costs are transferred to property, plant and equipment (oil and gas assets).

Exploration expenses

Geological and geophysical expenses are written off when incurred. Costs directly attributable to exploration wells are capitalized as exploration and evaluation assets until drilling is completed and the results of such drilling are assessed. These costs include salaries, materials, fuel and electricity, rig rental, and contractor payments. If hydrocarbons are not discovered, the exploration costs are written off as dry hole expenses. In cases where hydrocarbons are found that require further evaluation—which may include additional drilling of exploratory or appraisal wells—commercial development of which is considered probable, these costs continue to be capitalized as assets.

All such costs are subject to technical, commercial, and managerial review at least annually to confirm the intention to continue development or otherwise realize value from the discovery. If continuation is no longer expected, costs are written off.

When oil and gas reserves are proved and a decision to proceed with development is made, relevant costs are transferred to property, plant, and equipment (oil and gas assets).

Development costs

Costs of construction, installation, and completion of infrastructure facilities such as platforms, pipelines, and drilling of development wells are capitalized as property, plant, and equipment, except for costs related to development or delineation wells where commercially viable quantities of hydrocarbons have not been found, which are written off as dry hole expenses in the period incurred.

Revenue recognition

The Company sells crude oil under short-term contracts at prices determined as the average of the 5 highest/lowest Brent quotes published by Platt's adjusted for freight costs, insurance, and quality discounts. Title typically passes and revenues are recognized when crude oil is physically placed onboard a vessel or offloaded from the vessel, transferred into pipe or other delivery mechanism depending on the contractually agreed terms.

The Company's crude oil sale contracts generally specify maximum quantities of crude oil to be delivered over a certain period. Crude oil shipped but not yet delivered to the customer is recorded as inventory in the statement of financial position.

Taxes

Current income tax expense comprises current corporate income tax, excess profit tax and deferred tax.

Income 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, in the countries where the Company operates and generates taxable income.

3 Material Accounting Policy Information (Continued)

Excess profit tax

Excess profit tax ("EPT") is treated as an income tax and forms part of income tax expense. In accordance with the applicable tax legislation enacted as of 1 January 2009, the Company accrues and pays EPT in respect of each subsurface use contract, at varying rates based on the ratio of aggregate annual income to deductions for the year for a particular subsurface use contract. The ratio of total annual income to deductions in each fiscal 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 subsurface use contract in excess of 25% of the deductions attributable to each contract.

International Tax Reform – Pillar II Model Rules

As discussed in Note 1, the Company is an indirect subsidiary of Samruk-Kazyna. Samruk-Kazyna has subsidiaries operating in various jurisdictions where the Pillar II model rules have been adopted or substantially adopted. However, since the Company operates in a jurisdiction where the Pillar II model rules have not yet been implemented (Kazakhstan), these model rules are not applicable to the Company.

Deferred income tax

Deferred tax assets and liabilities are calculated for all temporary differences using the liability method for all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. A deferred tax asset is recorded only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities.

Deferred income tax liabilities are recognised for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

When analyzing the recoverability of deferred tax assets, the Company relies on the same assumptions that are used in other parts of the financial statements and management's reports. Among other things, these assumptions reflect the potential impact on business of climate change-related events, such as increased production costs resulting from the implementation of carbon reduction measures.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Leases

The Company 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 of time in exchange for consideration.

3 Material Accounting Policy Information (Continued)

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets within property, plant and equipment at the commencement date of the lease (i.e., the date on which the underlying asset becomes 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 recognised, 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 at the end of the lease term the ownership of the leased asset transfers to the Company or if the initial value of the asset reflects the exercise of the purchase option, the asset is depreciated over its estimated useful life.

Right-of-use assets are recorded in property, plant and equipment and are subject to an impairment test, which is described in paragraph "Impairment of non-financial assets".

(ii) Lease liabilities

At the commencement date of the lease, the Company must recognise 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 Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised 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 Company uses the incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (for example, a change in future payments due to a change in the index or rate used to determine such payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. contracts that, at the commencement date, have a lease term of 12 months or less and do not contain an option to purchase an underlying asset). The Company also applies the low value assets lease recognition exemption to contracts of lease of office equipment whose value is considered to be low. Lease payments on short-term leases and lease of assets of low value are recognised as expense on a straight-line basis over the lease term.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other operating income in the statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Variable lease payments are recognized as part of other operating income in the period in which they are received.

4 Critical Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Company has determined that all revenue from contracts with customers is received at a point in time, and the recognition of revenue requires the Company's management to make judgements that affect the reported amounts of revenue. Contractual relations for the sale of oil with other terms may result in recognition of revenue over time.

Judgement is used in assessing whether the Company is a principal or an agent in revenue transactions. In determining that the Company acts as a principal, the terms of the agreement were carefully considered, and it was concluded that the Company controls the product before it is transferred to the buyer. In alternative agreements, the Company can be defined as an agent.

In accordance with the terms of the existing contracts, the Company has determined that shipping or transportation services are not provided to the buyer, and that the only performance obligations relate to the sale of crude oil and petroleum products. Judgement is required in determining whether shipment is provided as a service, and this affects the identification of the performance obligation, recognition of all performance obligations at a point in time or over time, and the overall timing of revenue recognition. The Company's management does not consider the shipping costs to be a separate performance obligation, as the risks and associated rewards pass to the buyer at the time of shipment at the port.

Deferred tax assets

Deferred tax is calculated with respect to both corporate income tax ("CIT") and excess profit tax (EPT). Deferred CIT and EPT are calculated on temporary differences for assets and liabilities allocated to contracts for subsoil use at the expected rates. Deferred CIT and EPT bases disclosed in Note 22 are calculated under the terms of the tax legislation.

Deferred tax assets require management to assess the probability that the Company will generate sufficient taxable profit in future periods to use the recognized deferred tax assets. Assumptions about future taxable profit depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and natural gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgement about the application of existing tax laws. If future cash flows and taxable profit differ materially from estimates, this may affect the Company's ability to realise the net deferred tax assets recognized at the reporting date. Additionally, future changes in tax laws in the jurisdictions, in which the Company operates, could limit the ability of the Company to obtain tax deductions in future periods. The Company's management estimates that it is highly probably that sufficient taxable profit will be available in future periods to use the recognized deferred tax assets.

Estimation uncertainty

Evaluation of oil and gas reserves

Oil and gas reserves are estimates of the amount of hydrocarbons that can be economically and legally produced in the Company's oil and gas fields. The Company estimates its commercial reserves and resources based on information gathered by qualified specialists regarding geological and technical data on the size, depth, shape and content of the hydrocarbon body, as well as suitable production methods and recovery rates. Commercial reserves are determined using estimates of oil and gas reserves, extraction coefficients, and future commodity prices, which collectively influence the total amount of recoverable reserves and the proportion of gross reserves. Future capital expenditures are estimated based on assumptions regarding the number of wells required to extract commercial reserves, the cost of such wells and associated production facilities, as well as other capital expenditures.

The Company estimates its reserves of oil and gas in accordance with the methodology of the Society of Petroleum Engineers ("SPE").

4 Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

In estimating its reserves, the Company 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. The current assumption for the long-term price of Brent crude oil used in the estimate of commercial reserves is 60 US dollars per barrel (2024: 80 US dollars per barrel). The carrying amount of oil and gas assets as at 31 December 2025 is disclosed in Note 7.

As the economic assumptions used may change with the acquisition of additional geological information during the operation of the field, estimates of recoverable reserves may also change. 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. Such changes may impact the Company's reported financial position and results, which include:

- The carrying amount of oil and gas and other assets (Note 7);
- Depreciation, depletion and amortization in the statement of comprehensive income (Note 7);
- Asset retirement obligations – if changes in reserve estimates affect expectations about the timing of such actions and the related costs involved (Notes 7 and 15);
- The carrying amount of deferred tax assets – which may change due to alterations in the assessment of the likelihood of recovering such assets (Note 22).

Depreciation of oil and gas assets

Oil and gas assets are depreciated using the unit of production method in relation to the amount of proven developed reserves. This results in depreciation being charged in proportion to the depletion of the expected remaining production at the field.

In determining the life of each asset, the limitation of the physical life is taken into account, as well as current estimates of the economically recoverable reserves of the deposit. These calculations require the use of estimates and assumptions, including the amount of reserves and future capital costs. Changes in proven developed reserves may occur due to changes in the factors or assumptions used in the estimate of reserves, including:

- The difference between actual and projected crude oil prices;
- Unforeseen operating issues that may affect future capital expenditures.
- The emergence of more detailed information about existing reserves (e.g., in-depth engineering-geophysical studies or the drilling of additional wells).

Impairment of oil and gas assets

The Company assesses an asset of a group of assets or cash-generating units (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 discount rates, future capital requirements, operating performance 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 amount the estimated future cash flows are adjusted for the risks specific to the asset group/generating unit 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 Company and not applicable to the Cooperative in general.

As a result of the assessment conducted by the Company's management, no indications of possible asset impairment have been identified as at 31 December 2025.

4 Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

Asset retirement obligations

Under the terms of certain contracts, legislation and regulations the Company has legal obligations to dismantle and remove tangible assets and restore the land at each production site. In particular, the Company's obligations comprise the gradual shutting-in of all non-productive wells and final discontinuation of activities, such as abandonment of wells, dismantling of pipelines, dismantling of surface and underground structures, communication and other structures, reclamation of the contract area and the costs of preliminary environmental impact assessment. Since the license terms cannot be extended at the discretion of the Company, the settlement date of the final closure obligations has been assumed to be the end of each license period.

If the asset retirement obligations were to be settled at the end of the economic life of the properties, the recorded obligation would increase significantly due to the inclusion of all abandonment and closure costs. The extent of the Company's obligations to finance the abandonment of wells and for final closure costs depends on the terms of the respective contracts and current legislation.

Where neither contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the license 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 Company calculates asset retirement obligations separately for each contract.

Such obligations are valued by independent qualified consultants on an annual basis.

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. The Company revises the obligation to restore the contract territory at each reporting date and adjusts to reflect the best estimate in accordance with IFRIC 1 Changes in Existing Decommissioning, Restoration of Natural Resources to deal with them and similar obligations.

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 Company's estimate can be affected by changes in asset removal technologies, costs and industry practice. Approximately 38% and 31% of the provision at 31 December 2025 and 2024, respectively, relate to the final closure costs. The Company 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 carrying value of a liability at 31 December 2025 and 2024 are presented below:

In percent	**2025**	**2024**
Discount rate on the field abandonment provision	13.37%	9.97%
Inflation rate	7.73%	5.23%

The sensitivity analysis of asset retirement obligations to changes in significant assumptions as of December 31, 2025 is presented as follows:

In thousands of tenge	**Changes in assumptions**	**(Decrease)/ increase in the asset retirement obligation**
(Increase)/decrease in the discount rate	+1%	(2,864,064)
	(1%)	3,279,227
(Increase)/decrease in the inflation rate	+1%	3,380,074
	(1%)	(2,990,056)

Movements in the provision for asset retirement obligations are disclosed in Note 15.

4 Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the trade receivables of the Company is disclosed in Note 9.

Sales at provisional prices

The crude oil export sale agreements contain conditions that allow the prices to be adjusted on the basis of the market price at the end of the relevant quotation period (QP) specified by the agreement. Selling price adjustments are based on changes in quoted market prices before the end of the QP. In such cases revenue from sale under these agreements is initially recognized when control passes to the buyer and will be measured at the expected amount based on the forward price.

The final selling price is based on the average market price quotes over a 5-day period following the bill of lading. Price risks during the quotation period correspond to the definition of an embedded derivative in accordance with IFRS 9. The Company applies judgement to determine the fair value of the receivables. Changes in the fair value of accounts receivable from the date of sale for 2025 are presented by the Company as part of revenue (Note 18). As at 31 December 2025, the adjustment of receivables under such contracts between the preliminary and final price for 2025 is insignificant.

Defined benefit obligation

The cost of long-term employee benefits before and after retirement and the present value of obligations is 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 benefits increases. Due to the difficulty of assessing the basic assumptions and long-term obligations under the post-employment benefit plans, such obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Future increase in salary is based on expected future inflation rates. Main actuarial assumptions used for evaluation of liabilities on employee benefits as at 31 December 2025 and 2024 are as follows:

In percent	**2025**	**2024**
Discount rate	15.31%	11.36%
Future increase of long-term annual payments (MCI)	7.39%	7.09%
Future salary increases (2025)	8.00%	8.00%
Future salary increases (2026)	6.5%	6.00%
Future salary increases (from 2027)	4.00%	4.00%
Probability of early retirement for men	12.06%	14.29%
Probability of early retirement for women	3.48%	4.19%

As at 31 December 2025 and 2024 the average duration of post-retirement benefit obligations was 7.68 years and 7.56 years, respectively.

4 Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

Sensitivity analysis of employee benefits obligation for the change in significant estimates as at 31 December 2025 is as follows:

In thousands of tenge	Decrease	Increase
Discount rate	(0.5%) 753,075	+0.5% (651,001)
Salary increase	(1.0%) (234,929)	+1.0% 260,736

5 Adoption of New or revised standards and interpretations

New and amended IFRSs effective for the current year

The following revised standards became effective for the Company from 1 January 2025, but did not have a material impact on the Company:

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

6 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2026 or later, and which the Company has not early adopted.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). The application of this standard is expected to have a significant impact on the classification of items in the statement of profit or loss and other comprehensive income and the statement of cash flows. Specifically, under its current accounting policy, the Company includes interest income in operating cash flows, whereas under IFRS 18, interest income will be recognised as part of investing activities.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024, changed on 21 August 2025, and effective for annual periods beginning on or after 1 January 2027).
- IFRS 14 Regulatory Deferral Accounts (issued on 30 January 2014 and effective for annual period beginning on or after 1 January 2026).
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB)
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-Dependent Electricity (issued on 18 December 2024 and effective for annual periods beginning on or after 1 January 2026).
- Annual Improvements to IFRS Accounting Standards (issued in July 2024 and effective from 1 January 2026).

Unless otherwise described above, the new standards and interpretations are not expected to significantly affect the Company's financial statements.

7 Property, Plant and Equipment

In thousands of tenge	Notes	Oil and gas assets	Land	Buildings and construc-tions	Machinery and equipment	Vehicles	Other assets	Capital construction in progress	Total
Net book value as at 31 December 2023		**180,799,205**	**239,877**	**8,480,841**	**2,652,420**	**5,046,764**	**5,139,476**	**20,127,719**	**222,486,302**
Additions		319,215	–	–	–	–	5,010	45,903,676	46,227,901
Changes in estimates of asset retirement obligations	15	(2,495,171)	–	–	–	–	–	–	(2,495,171)
Disposals		(3,692,522)	(32,519)	(1,067,375)	(77,081)	(493,500)	(209,631)	(277,519)	(5,850,147)
Transfers from capital work-in-progress		39,732,661	–	72,465	584,341	2,221,911	1,850,084	(44,461,462)	–
Transfers and reclassifications		(8,322)	–	4,031	(13,907)	–	18,198	–	–
Accumulated depreciation on disposals		3,334,456	4,468	1,062,665	87,864	484,311	176,588	24,489	5,174,844
Write-off		–	–	(370)	–	–	–	(9,446)	(9,816)
Depreciation charge		(27,272,332)	–	(373,565)	(346,795)	(891,599)	(918,512)	–	(29,802,803)
Net book value as at 31 December 2024		**190,717,190**	**211,826**	**8,178,692**	**2,886,842**	**6,367,887**	**6,061,213**	**21,307,460**	**235,731,107**
Additions		1,319,211	–	1,711	9,796	14,700	4,376	61,761,844	63,111,638
Changes in estimates of asset retirement obligations	15	(3,039,012)	–	–	–	–	–	–	(3,039,012)
Disposals		(6,164,447)	(172)	(61,226)	(113,210)	(443,992)	(201,372)	(1,312)	(6,985,731)
Transfers from capital work-in-progress		51,781,054	–	414,233	812,974	1,454,922	694,061	(55,157,244)	-
Transfers from Exploration and Evaluation assets		3,391,520	–	–	–	–	–	–	3,391,520
Transfers and reclassifications		19,363		(100,905)	35,514	31,863	14,165	-	-
Accumulated depreciation on disposals		5,499,644	37	32,545	86,977	439,782	162,096	44,239	6,265,320
Write-off (impairment)		(220,474)	–	–	–	(46,201)	–	(261,999)	(528,677)
Write-off of Exploration and Evaluation assets (impairment)		(339,106)	–	–	–	–	–	–	(339,106)
Depreciation charge		(34,482,437)	–	(369,458)	(401,287)	(1,032,198)	(1,007,274)	–	(37,292,654)
Net book value as at 31 December 2025		**208,482,503**	**211,691**	**8,095,592**	**3,317,606**	**6,786,763**	**5,727,265**	**27,692,988**	**260,314,408**

7 Property, Plant and Equipment (Continued)

In thousands of tenge	Oil and gas assets	Land	Buildings and construc-tions	Machinery and equipment	Vehicles	Other assets	Capital construction in progress	Total
At 31 December 2024								
Cost	479,985,812	222,780	12,902,773	5,840,011	15,001,757	11,760,012	21,461,197	547,174,342
Accumulated depreciation	(245,556,858)	–	(3,390,918)	(2,575,992)	(7,534,469)	(5,352,005)	–	(264,410,242)
Accumulated impairment	(43,711,764)	(10,954)	(1,333,163)	(377,177)	(1,099,401)	(346,797)	(153,737)	(47,032,993)
Net book value as at 31 December 2024	**190,717,190**	**211,826**	**8,178,692**	**2,886,842**	**6,367,887**	**6,061,213**	**21,307,460**	**235,731,107**
At 31 December 2025								
Cost	527,293,498	222,608	13,156,586	6,585,085	16,059,250	12,271,245	28,064,485	603,652,757
Accumulated depreciation	(276,615,870)	–	(3,737,828)	(2,892,024)	(8,187,279)	(6,200,375)	–	(297,633,376)
Accumulated impairment	(42,195,125)	(10,917)	(1,323,166)	(375,455)	(1,085,208)	(343,605)	(371,497)	(45,704,973)
Net book value as at 31 December 2025	**208,482,503**	**211,691**	**8,095,592**	**3,317,606**	**6,786,763**	**5,727,265**	**27,692,988**	**260,314,408**

As at 31 December 2025, the cost and the relevant accumulated depreciation of fully depreciated but still in use property, plant and equipment amounted to 16,412,050 thousand tenge (2024: 15,750,357 thousand tenge) where buildings and structures amount to 7,040,421 thousand tenge (2024: 5,634,654 thousand tenge), oil and gas assets amount to 7,468,643 thousand tenge (2024: 9,316,335 thousand tenge) vehicles and other property, plant and equipment amount to 1,902,985 thousand tenge (2024: 799,367 thousand tenge).

8 Exploration and Evaluation Assets

In 2025, the Company recognized impairment expenses of 4,183,489 thousand tenge for dry wells drilled in the Taisogan exploration block.

9 Financial Assets

Trade and other accounts receivable

In thousands of tenge	31 December 2025	31 December 2024
Trade accounts receivable	38,530,612	45,727,804
Others	117,779	134,130
Total gross trade and other receivables	**38,648,391**	**45,861,934**
Less: ECL allowance	(58,600)	(220,882)
Total net trade and other receivables	**38,589,791**	**45,641,052**

As at 31 December 2025 the Company's trade receivables included receivables from KazMunayGas Trading AG from sale of crude oil for export in the amount of 15,308,550 thousand tenge (2024: 27,774,306 thousand tenge) and receivables from NC KMG from sale of crude oil to the domestic market in the amount of 22,130,629 thousand tenge (2024: 17,880,517 thousand tenge).

As at 31 December 2025 trade receivables of the Company are denominated in US dollars by на 40% (2024: 61%).

Set out below is the movement in the allowance for expected credit losses of trade receivables and contract assets:

In thousands of tenge	2025	2024
At 1 January	220,882	116,530
Charge	116,249	257,337
Recovery	(278,531)	(152,985)
As at 31 December	**58,600**	**220,882**

As at 31 December 2025, information on the Company's exposure to credit risk on trade receivables and contract assets using the allowance matrix is as follows:

	Trade accounts receivable					
		Days past due				
In thousands of tenge	**Current**	**Up to 30 days**	**30–60 days**	**61-90 days**	**More than 91 days**	**Total**
Expected credit loss rate	0.10%	0.06%	0.09%	13.06%	53.46%	
Estimated total gross carrying value	33,102,340	3,607,000	1,876,963	28,724	33,364	38,648,391
Expected credit losses	33,094	2,170	1,750	3,750	17,836	58,600

As at 31 December 2024, information on the Company's exposure to credit risk on trade receivables and contract assets using the allowance matrix is as follows:

	Trade accounts receivable					
		Days past due				
In thousands of tenge	**Current**	**Up to 30 days**	**30–60 days**	**61-90 days**	**More than 91 days**	**Total**
Expected credit loss rate	0,41%	–	1,14%	1,05%	59,88%	
Estimated total gross carrying value	45,748,857	–	57,268	95	55,714	45,861,934
Expected credit losses	186,867	–	650	1	33,364	220,882

9 Financial Assets (Continued)

Cash and cash equivalents

In thousands of tenge	31 December 2025	31 December 2024
Time deposits with banks in US dollars	36,500,259	44,936,276
Time deposits with banks in Tenge	1,091,930	7,004,755
Сделки обратного репо	10,474,029	–
Placements with banks in Tenge	3,772	16,145
Placements with banks in US Dollars	1	2
Total cash and cash equivalents	**48,069,991**	**51,957,178**

Interest rates for cash held in banks are determined based on the daily deposit rates offered by the banks. Deposits with banks are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company.

The weighted average interest rate on Tenge denominated time deposits as at 31 December 2025 was 17.40% (2024: 14.70%), the weighted average interest rate on US dollar denominated term deposits was 2.94% (2024: 3.25%).

In 2025, for liquidity management purposes, the Company placed cash in auto-repo financial instruments secured by 129.592 securities. As of 31 December 2025, the average yield on these transactions was 4.5%, with maturities of up to three months.

In 2025, the Company purchased short-term notes of the National Bank of Kazakhstan under a brokerage and nominee securities holding agreement with Freedom Finance Global PLC, Agreement No. 428-121 dated 7 October 2024.

Other financial assets

Non-current financial assets comprise of liquidation fund deposits opened in accordance with subsoil use agreement for each contract until the end of the term of each contract. The weighted average interest rate on these deposits as at 31 December 2025 was 3.50% (2024: 3%).

During 2025, interest accrued on long-term and short-term deposits amounted to 5,573,878 thousand tenge (2024: 3,627,835 thousand tenge).

In thousands of tenge	31 December 2025	31 December 2024
Financial assets held to maturity in US dollars	53,814,194	55,547,533
Financial assets held to maturity in Tenge	839,670	927,145
ECL allowance	(150,630)	(148,864)
Total non-current financial assets	**54,503,234**	**56,325,814**

10 Advances Given

As at 31 December 2025 and 2024, advances paid for non-current assets comprise:

In thousands of tenge	31 December 2025	31 December 2024
Advances for non-current assets to third parties	8,507,608	1,596,970
Total advances given	**8,507,608**	**1,596,970**

Out of this amount, advances for capital works amounted to 7,774,525 thousand tenge.

10 Advances Given (Continued)

As at December 31, 2025 and 2024, advances paid for current assets and prepaid expenses include:

In thousands of tenge	31 December 2025	31 December 2024
Advances given to third parties	3,154,830	1,343,064
Advances given to related parties	3,162,732	3,106,198
Total advances given	**6,317,562**	**4,449,262**

Out of this amount, advances given for services rendered/work performed amount to 6,185,867 thousand tenge.

11 Taxes Prepaid and VAT Recoverable

In thousands of tenge	31 December 2025	31 December 2024
VAT recoverable	1,767,019	1,533,451
Export customs duty	3,310,492	8,640,563
Others	204,057	167,432
Total	**5,281,568**	**10,341,446**
Less: provision for impairment of VAT recoverable	(138,881)	(138,881)
Total prepaid taxes and VAT recoverable	**5,142,687**	**10,202,562**

Changes in provision for impairment of VAT recoverable are presented as follows:

In thousands of tenge	2025	2024
At 1 January	138,881	834,544
Reversal of provision		(695,663)
As at 31 December	**138,881**	**138,881**

12 Inventories

In thousands of tenge	31 December 2025	31 December 2024
Crude oil (at the lower of cost and net realisable value)	11,062,402	9,546,150
Materials (at cost)	4,517,305	4,812,055
Total inventories at the lower of cost and net realisable value	**15,579,707**	**14,358,205**

As at 31 December 2025 the Company had 109,866 tons of crude oil in storage and transit (2024: 96,468 tons).

13 Equity

Authorized shares

As at 31 December 2025 and 31 December 2024 the total number of authorized shares is 32,479,964 pieces with par value of 5,000 tenge each, all of which are owned by the Parent.

Dividends

In accordance with Kazakhstan legislation, dividends may not be declared if the Company has negative equity or if the payment of dividends would result in negative equity. In 2025 the Company declared and paid dividends to the Parent in the amount of 20,007,658 thousand tenge or 616 tenge per share (2024: 10,003,829 thousand tenge or 308 tenge per share).

14 Historical Obligations

Historical obligations are expressed in US dollars and represent obligations to reimburse historical costs incurred by the Government of the Republic of Kazakhstan before the Company acquired certain licenses: contract No. 406 - Liman field, contract No. 3577 - Karaton-Sarkamys block field, contract No. 992 - Novobogatinskoye West field.

The reimbursement payment for historical costs is made by the subsoil user starting from the commencement of production in the contract area and upon the occurrence of the earliest of the following events: 1) announcement of commercial discovery; 2) transition to the production phase in accordance with the legislation of the Republic of Kazakhstan on subsoil and subsoil use; 3) issuance of a mining license; 4) signing of a mining contract

The movement in historical obligations is presented as follows:

In thousands of tenge	**2025**	**2024**
Balance as at 1 January	6,935,844	7,689,732
Unwinding of discount	556,810	647,426
Payments	(1,373,504)	(2,494,787)
Effect of foreign exchange difference	(269,964)	1,093,473
Balance as at 31 December	**5,849,186**	**6,935,844**
Current portion	**2,055,920**	1,769,920
Non-current portion	**3,793,266**	5,165,924
Balance as at 31 December	**5,849,186**	**6,935,844**

15 Provisions

In thousands of tenge	**Provisions for taxes**	**Asset retirement obligation**	**Defined benefit obligation**	**Total**
As at 1 January 2024	3,710,606	28,188,116	16,655,493	48,554,215
Additional provisions	–	157,339	560,396	717,735
Unused amounts reversed	(3,710,606)	–	–	(3,710,606)
Unwinding of discount	–	2,433,584	1,736,913	4,170,497
Changes in estimates	–	(2,495,171)	(727,546)	(3,222,717)
Utilized during the year	–	(711,701)	(1,788,063)	(2,499,764)
As at 31 December 2024	**–**	**27,572,167**	**16,437,193**	**44,009,360**
Current portion	–	507,549	1,565,509	2,073,058
Non-current portion	–	27,064,618	14,871,684	41,936,302
As at 31 December 2024	**–**	**27,572,167**	**16,437,193**	**44,009,360**
Additional provisions	–	323,642	272,577	596,219
Unwinding of discount	–	2,748,944	1,561,088	4,310,032
Changes in estimates	–	(3,039,012)	(1,753,201)	(4,792,213)
Utilized during the year	–	(642,884)	(1,851,515)	(2,494,399)
As at 31 December 2025	**–**	**26,962,857**	**14,666,142**	**41,628,999**
Current portion	–	446,286	1,563,262	2,009,548
Non-current portion	–	26,516,571	13,102,880	39,619,451
As at 31 December 2025	**–**	**26,962,857**	**14,666,142**	**41,628,999**

15 Provisions (Continued)

Amounts recognized on defined benefit obligation in the statement of financial position and statement of comprehensive income are presented as follows:

In thousands of tenge	2025	2024
Present value of defined benefit obligation at the end of the year	14,666,142	16,437,193
Net liabilities	**14,666,142**	**16,437,193**
Current service cost	272,577	319,183
Interest costs	1,561,088	1,736,913
Actuarial losses – charged to profit and loss	(65,770)	(102,992)
Actuarial (gains)/losses - charged to other comprehensive loss	(1,687,431)	(624,553)
Past service costs	–	241,212
Expenses recognized during the year	**80,464**	**1,569,763**
Payments made during the year	**(1,851,515)**	**(1,788,063)**

The cost of current services and services of previous years is included in the statement of comprehensive income within production expenses, general and administrative expenses.

16 Mineral Extraction and Rent Tax Payable

In thousands of tenge	31 December 2025	31 December 2024
Rent tax on crude oil export	10,151,029	8,231,856
Mineral extraction tax	8,398,804	4,624,218
Total mineral extraction and rent tax payable	**18,549,833**	**12,856,074**

Changes in rent tax payable are presented below:

In thousands of tenge	Notes	2025	2024
As at 1 January		8,231,856	10,993,792
Accrual	20	37,956,890	48,997,641
Payment		(36,037,717)	(51,759,577)
As at 31 December		**10,151,029**	**8,231,856**

Changes in mineral extraction tax are presented below:

In thousands of tenge	Notes	2025	2024
As at 1 January		4,624,218	8,296,209
Accrual	19	28,017,622	33,819,591
Payment		(24,243,036)	(37,491,582)
As at 31 December		**8,398,804**	**4,624,218**

17 Trade and Other Payables

In thousands of tenge	31 December 2025	31 December 2024
Trade accounts payable	18,283,283	15,603,234
Amounts due to employees	11,091,987	8,397,452
Other taxes payable	1,541,777	1,375,732
Other	1,257,651	1,300,452
Total trade and other payables	**32,174,698**	**26,676,870**

The Company's trade payables are mostly represented by receivables for well drilling, workover and purchase of property, plant and equipment.

As at 31 December 2025 and 2024, trade and other payables comprise:

In thousands of tenge	31 December 2025	31 December 2024
Trade accounts payable to third parties	17,023,478	13,653,715
Trade accounts payable to related parties	1,259,805	1,949,519
Total trade and other payables	**18,283,283**	**15,603,234**

Carrying value of trade payables is denominated in the following currencies:

In thousands of tenge	31 December 2025	31 December 2024
Trade accounts payable in Tenge	18,214,414	15,588,186
Trade accounts payable in US dollars	68,869	15,048
Total trade and other payables	**18,283,283**	**15,603,234**

18 Revenue from Contracts with Customers

In thousands of Tenge	Recognition of revenue from obligation performance	2025	2024
Export			
Crude oil	At a point in time	238,555,141	276,716,394
Quality bank (Note 23)	At a point in time	(552,981)	520,457
Domestic market			
Crude oil	At a point in time	170,975,267	152,797,068
Gas products	At a point in time	1,089,580	221,476
Other sales and services	Over time	473,837	439,223
Total revenue from contracts with customers		**410,540,844**	**430,694,618**

In thousands of tenge	2025	2024
Geographical market		
Switzerland	238,555,141	276,716,394
Kazakhstan	171,985,703	153,978,224
Total revenue	**410,540,844**	**430,694,618**

18 Revenue from Contracts with Customers (Continued)

In 2025, adjustment at the preliminary price decreases revenue from contracts with customers by 64,011 thousand tenge (2024: 129,024 thousand tenge).

The oil quality bank serves as a mechanism for penalty and compensation payments to the Company based on the quality of the crude oil supplied to the pipeline system for export through the Caspian Pipeline Consortium. The rewards from the oil quality bank are reimbursed by NC KMG.

19 Cost of Sales

In thousands of tenge	Notes	2025	2024
Employee benefits		94,016,684	85,928,231
Depreciation, depletion and amortization		36,950,525	29,451,393
Repair and maintenance		33,753,997	33,699,573
Mineral extraction tax, net	16	28,017,622	33,819,591
Transportation expenses		10,318,271	9,289,124
Electricity		7,735,503	6,214,903
Materials and supplies		6,738,907	6,506,100
Taxes other than income tax		3,010,071	3,127,019
Other		11,096,189	10,950,782
Total		**231,637,769**	**218,986,716**
Change in crude oil balance		(1,516,253)	525,027
Total cost of sales		**230,121,516**	**219,511,743**

The production costs for processing of associated gas for 2025 amounted to 9,056,130 thousand tenge (2024: 8,399,918 thousand tenge).

Repair and maintenance services include expenses related to the rental of screw pump units and submersible pumps. The Company believes that these agreements qualify as leases under IFRS 16; however, they fall under the exception provided for low-value assets.

20 Selling Expenses

In thousands of tenge	Notes	2025	2024
Transportation expenses		43,837,554	39,246,020
Rent tax	16	37,956,890	48,997,641
Export customs duty		36,025,985	39,941,379
Sales agent's fee		91,324	97,966
Total selling expenses		**117,911,753**	**128,283,006**

21 General and Administrative Expenses

In thousands of tenge	Notes	2025	2024
Employee benefits		8,860,734	8,268,028
Repair and maintenance		1,800,113	1,676,897
Depreciation, depletion and amortization		544,983	595,156
Transportation expenses		466,269	434,529
Event management services		281,663	260,593
Consulting and audit services		240,816	213,989
Taxes other than income tax		178,519	657,891
(Accrual)/Reversal of expenses for fines and penalties		149,081	(1,416,716)
Sponsorship		115,613	603,061
(Reversal)/accrual of allowance for ECL	9	(162,283)	104,352
Other		1,217,034	1,414,389
Total general and administrative expenses		**13,692,542**	**12,812,169**

22 Income Tax

Income tax expenses for the year comprised the following:

In thousands of tenge	2025	2024
Current corporate income tax	11,784,558	17,465,711
Adjustment of corporate income tax for the prior periods	–	869,880
Current excess profit tax	134,331	259,838
Adjustment of corporate income tax provision	–	(3,710,606)
Adjustment of excess profit tax provision	(1,413)	(357,643)
Current income tax expenses	**11,917,476**	**14,527,180**
Deferred tax (credit)/expenses	(2,865,839)	2,368,579
Deferred tax (credit)/ expenses	**(2,865,839)**	**2,368,579**
Income tax expenses	**9,051,637**	**16,895,759**

The following table provides a reconciliation of the Kazakhstan income tax rate to the effective tax rate of the Company on profit before tax.

In thousands of tenge	2025	2024
Profit before taxes	**39,132,588**	**84,288,180**
Income tax expense	9,051,637	16,895,759
Effective tax rate	**23%**	**20%**
Income tax expenses at statutory rate	7,826,518	16,857,636
Adjustment of corporate income tax for the prior periods	-	869,880
Defined benefit expenses	267,061	383,684
Withholding tax	–	689,161
Non-deductible expenses	345,821	1,242,196
Expenses for land reclamation outside the mining allotment	477,906	661,613
Current excess profit tax	134,331	259,838
Adjustment of the corporate income tax provision for prior periods	-	(3,710,606)
Adjustment of excess profit tax provision for prior periods	-	(357,643)
Income tax expense	**9,051,637**	**16,895,759**

22 Income Tax (Continued)

The adjustment of the corporate income tax provision for prior periods primarily involves recalculating the provision for potential risks of additional corporate income tax assessments, specifically concerning the risk of reimbursement for expenses related to the transportation of oil after loading onto the tanker.

The movements in the deferred tax assets relating to CIT and EPT were as follows:

In thousands of tenge	**Property, plant and equipment and intangible assets**	**Provisions and historical obligations**	**Taxes**	**Other**	**Total**
As at 1 January 2024	(2,903,015)	7,278,880	4,410,120	1,710,291	10,496,276
Recognized in profit and loss	(992,108)	(63,781)	(1,254,633)	(58,057)	(2,368,579)
As at 31 December 2024	**(3,895,123)**	**7,215,099**	**3,155,487**	**1,652,234**	**8,127,697**
Recognized in profit and loss	937,375	(233,312)	951,224	1,210,552	2,865,839
As at 31 December 2025	**(2,957,748)**	**6,981,787**	**4,106,711**	**2,862,786**	**10,993,536**

23 Related Party Transactions

The category 'entities under common control' comprises entities controlled by the Parent Company and NC KMG. The category 'other related parties' comprises entities controlled by SWF Samruk-Kazyna. Sales and purchases with related parties during the years ended 31 December 2025 and 2024 and the balances with related parties at 31 December 2025 and 2024 are as follows:

In thousands of tenge	**Notes**	**2025**	**2024**
Sale of goods and services			
Entities under common control of NC KMG		240,720,439	280,746,652
NC KMG		171,394,267	153,374,455
Income from the quality bank on sold oil (Entity under the common control of NC KMG)	18	(552,981)	520,457
Entities under common control of SWF Samruk-Kazyna		1,092,066	221,933
Purchase of goods and services			
Entities under common control of NC KMG		48,127,627	35,653,679
NC KMG		4,063,085	7,730,168
Entities under common control of SWF Samruk-Kazyna		742,204	866,226
Salary and other short-term benefits			
Members of the Board of Directors		28,667	33,044
Quantity		3	3
Members of the Management Board		388,048	395,224
Quantity		7	12
Trade and other accounts receivable			
Entities under common control of NC KMG		18,146,625	30,776,407
NC KMG		22,445,505	17,880,517
Entities under common control of SWF Samruk-Kazyna		1,061,588	46,719
Short-term advances given			
Entities under common control of NC KMG		2,839,858	3,106,198
NC KMG		322,874	–
Entities under common control of SWF Samruk-Kazyna		1,589	336

23 Related Party Transactions (Continued)

In thousands of tenge	Notes	2025	2024
Trade accounts payable			
Entities under common control of NC KMG		1,251,931	1,555,369
NC KMG		7,874	394,461
Entities under common control of SWF Samruk-Kazyna		57,476	78,256
Other current financial assets			
Notes of the National Bank		1,000,000	1,016,698

Sales and receivables

Sales to related parties comprise export and domestic sales of crude oil and oil products to subsidiaries of NC KMG. Export sales to related parties represented 987,293 tons of crude oil in 2025 (2024: 1,059,077 tons). The sales of crude oil are priced by reference to Platt's index quotations and adjusted for freight, trader's margin and quality differentials. For these exports of crude oil the Company received an average price per ton of approximately 241,625 tenge in 2025 (261,281 tenge in 2024).

In addition, the Company supplies crude oil to the domestic market through the Parent, NC KMG, in accordance with the Resolution of the Government of the Republic of Kazakhstan, the ultimate controlling shareholder of NC KMG. Those supplies to the domestic market amounted to 1,812,916 tons of crude oil produced in 2025 (2024: 1,699,006 tons). Prices for the local market sales are determined by agreement with NC KMG. In 2025, the Company received an average of about 94,310 tenge per ton for oil delivered to the domestic market (in 2024, an average of about 89,933 tenge).

Purchases and payables

NC KMG is the Company's crude oil export agent. Agency commission for crude oil sales amounted to 91,325 thousand tenge (2024: 97,966 thousand tenge). Transportation services, which are provided by Caspian Pipeline Consortium were reimbursed by the Parent in the amount of 3,476,808 thousand tenge for 147,393 tons (2024: 6,779,253 thousand tenge for 381,842 tons).

24 Financial Risk Management Objectives and Policies

The Company has various financial liabilities such as borrowings, trade and other receivables. The Company has various financial assets such as accounts receivable, short-term and long-term deposits and cash and cash equivalents.

The Company is exposed to currency risk, credit risk, liquidity risk and the risk of changes in commodity prices.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates mainly to the Company's operating activities, as the majority of its sales are denominated in US dollars whilst almost all of its costs are denominated in Tenge, and to its investments denominated in foreign currencies.

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 Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

In thousands of tenge	Increase/decrease in Tenge per US Dollar rate	Effect on profit before tax
2025		
US Dollar	+8.84%	10,261,382
US Dollar	(8.84%)	(10,261,382)
2024		
US Dollar	+14,15%	17,144,547
US Dollar	(14,15%)	(17,144,547)

24 Financial Risk Management Objectives and Policies (Continued)

Credit risk

The Company is exposed to credit risk in relation to its receivables. The Company's vast majority of sales is made to an affiliate, NC KMG, and the Company has a significant concentration risk of receivables from this affiliate (Note 9). Additional number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The Company is also exposed to credit risk in relation to its investing activities. The Company mostly places the deposits with Kazakhstan banks. Credit risk from balances with financial institutions is managed by the Company's treasury department in accordance with the Parent's cash management policy. The Company's maximum exposure to credit risk arising from default of the financial institutions is equal to the carrying amounts of these financial assets.

The table below shows the balances of other financial assets and cash and cash equivalents at the reporting date using the Standard and Poor's and Moody's credit ratings, unless otherwise stated.

In thousands of tenge	Location	Rating agency	Rating* 31 December 2025	Rating* 31 December 2024	2025	2024
Banks						
Halyk Bank JSC	Kazakhstan	Standard and Poor's	BBB- (negative)	BB+ (stable)	76,550,574	75,871,486
First Heartland Jusan Bank JSC	Kazakhstan	Moody's	Ba2 (positive)	Ba3 (positive)	15,699,251	31,380,387
Bank Freedom Finance Kazakhstan JSC	Kazakhstan	Standard and Poor's	B+ (stable)	B+ (stable)	10,474,030	2,047,816
					102,723,855	**109,299,689**

* Source: official sites of the banks and rating agencies as at 31 December of the respective year.

Liquidity risk

The Company monitors its liquidity risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short and long-term deposits in local banks.

The table below summarizes the maturity profile of the Company's financial liabilities at 31 December 2025 and 2024 based on contractual undiscounted payments:

In thousands of tenge	On demand	Less than 3 months	3-12 months	1 year – 5 years	Over 5 years	Total
As at 31 December 2025						
Historical obligations	–	974,880	808,569	4,312,369	1,078,092	7,173,910
Trade and other payables	32,176,113	–	–	–	–	32,176,113
	32,176,113	**974,880**	**808,569**	**4,312,369**	**1,078,092**	**39,350,023**

In thousands of tenge	On demand	Less than 3 months	3-12 months	1 year – 5 years	Over 5 years	Total
As at 31 December 2024						
Historical obligations	–	352,926	1,058,777	5,279,417	2,515,022	9,206,142
Trade and other payables	25,341,061	–	–	–	–	25,341,061
	25,341,061	**352,926**	**1,058,777**	**5,279,417**	**2,515,022**	**34,547,203**

24 Financial Risk Management Objectives and Policies (Continued)

Commodity price risk

The Company is exposed to the effect of fluctuations in the price of crude oil, which is quoted in US dollars on international markets. The Company prepares annual budgets and periodic forecasts including sensitivity analyses in respect of various levels of crude oil prices in the future.

Capital management

Capital includes the entire equity of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and sufficient capital adequacy in order to support its business and achieve strategic goals.

As at 31 December 2025 the Company had a strong financial position and a conservative capital structure. Going forward, the Company intends to maintain a capital structure which allows it the flexibility to take advantage of growth opportunities as and when they arise.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policy or processes during the years ended 31 December 2025 and 2024.

Audit Fees

The cost of audit services for the Company for the year ended 31 December 2025, amounted to 76,942 thousand tenge, including VAT.

25 Financial Instruments

The fair value of long-term and short-term financial assets and financial liabilities approximately equals to their carrying value.

The fair value of cash and cash equivalents and notes of the National Bank of the Republic of Kazakhstan is classified as Level 2 in the fair value hierarchy in accordance with IFRS 13, as it is based on the use of observable inputs, in particular market interest rates and exchange rates applied in discounting short-term cash flows.

For the years ended 31 December 2025 and 2024 there were no transfers between Levels 1, 2 and 3 of the financial instruments' fair value.

26 Commitments and Contingencies

Operating and economic environment

The Republic of 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.

Domestic market obligations

The Kazakhstan government requires oil producers to supply a portion of their crude oil production to meet domestic energy requirements.

Starting from 1 April 2016 the Company ceased sales of crude oil to "KazMunaiGas - Refinery and Marketing" JSC and sold oil to to the Parent Company. The Company started selling crude oil to NC KMG from 1 July 2018 based on the contract for oil procurement.

If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Company, 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 Company's business, prospects, financial condition and results of operations.

26 Commitments and Contingencies (Continued)

Taxes

Kazakhstan's tax legislation and regulations are subject to ongoing changes and varying interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual, including opinions on approaches to revenue, expenses and other items of the financial statements. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe. Because of the uncertainties associated with Kazakhstan's tax system, the ultimate amount of taxes, penalties and interest, if any, may be in excess of the amount expensed to date and accrued at 31 December 2025.

The management believes that its interpretation of the tax legislation is appropriate, and the Company has acceptable grounds for the tax position.

Since 2021, the Company has revised its approach to the deduction of geological exploration expenses for corporate income tax purposes in accordance with Articles 258 and 259 of the Tax Code of the Republic of Kazakhstan. Additionally, the approach to deductions for contributions to and withdrawals from liquidation deposits for certain subsoil use contracts has also been reviewed. The Company's management assesses the risk of incorrect classification of general and indirect income and expenses as low.

Export taxation

According to the Law of the Republic of Kazakhstan "On Transfer Pricing", international business transactions, as well as some transactions made in the Republic of Kazakhstan, regardless of the relationship of the parties or the degree of deviation of the transaction price from the market price, are subject to state control in transfer pricing ("TP"). When calculating the market price, the components of the differential must be documented or supported by information sources.

In 2025, as well as in previous periods, the Company exported oil products to a related party, which is a member of the NC KMG group. In accordance with the requirements of the Law on TP, the authorized bodies have the right to request from the parties to the transaction, government agencies and third parties the information necessary to determine the market price and differential, as well as other data to control the TP.

Collection of all necessary documents, including originals of primary documentation on export operations confirming the size of the differential, in full and before the start of the tax audit in accordance with the applicable requirements of the Law of the Republic of Kazakhstan "On Transfer Pricing" is carried out by NC KMG, which is an oil sale agent. The Company's management believes that the risk of additional accrual of related tax liabilities, penalties and administrative fines in connection with the adjustment of taxable items due to lack of documents is not significant.

Environmental impact

The enforcement of environmental regulation in Kazakhstan is evolving and subject to ongoing changes. Penalties for violations of Kazakhstan's environmental laws can be severe. The management believes that there are no probable environmental liabilities that may have a material adverse effect on the Company's financial position, operating performance and cash flows.

Claims from the Contractor

In September 2022, the Company and LLP "Rem Montage" (hereinafter referred to as the Contractor) entered into an agreement for the execution of works related to the processing of electricity production from associated petroleum gas at the "Yu. V. Novobogat" field of NGDU "Zhayykmunaygas," with a contract value of 5,345,307 thousand tenge including VAT, valid until 31 December 2026. However, in September 2022, the Company sent a notice to the Contractor unilaterally terminating the agreement and all obligations under it due to economic impracticability. On 19 May 2025, the Contractor filed a claim against the Company with the SMEEC (Small and Medium Enterprises Economic Court) of the Atyrau region, requesting that the unilateral termination of the agreement dated 1 September 2022, be declared unlawful. By the decision of the SMEEC of the Atyrau region dated 22 August 2025, the Contractor's claim was satisfied, and the Company's actions regarding the unilateral termination of the agreement were recognized as unlawful. On 24 September 2025, the Contractor filed a claim against the Company for the recovery of 269,406 thousand tenge and subsequently submitted a request to increase the claim amount, including lost profits, to a total of 3,817,807 thousand tenge. Currently, the Company is reviewing additional documents submitted by the claimant related to the increase in claim amounts.The Company's management assesses the likelihood of additional cash outflows related to this claim as medium; accordingly, no provision has been recognized for this liability as of 31 December 2025.

26 Commitments and Contingencies (Continued)

Oilfield licenses

The Company is subject to periodic reviews of its activities by governmental authorities with respect to the requirements of its oilfield licenses and related subsoil use contract. Management cooperates with governmental authorities to agree on remedial actions necessary to resolve any findings resulting from these reviews. Failure to comply with the license provisions may result in fines, penalties, restriction, suspension of withdrawal of the license.

The Company's management believes that any issues of non-compliance will be resolved through negotiations or corrective actions without any material effect on the Company's financial position, operating performance and cash flows.

The Company's oil and gas fields are located on land belonging to the Atyrau district administration. The licenses are issued by the Ministry of Oil and Gas of the Republic of Kazakhstan and the Company pays mineral extraction tax and excess profits tax to explore and produce oil and gas from these fields.

The principle licenses of the Company and their expiry dates are:

Contract	Number of contract	Expiry date	Type of contract
Kenbai	№ 37	2041	Production
South-East Novobogatinskoe	№ 61	2048	Production
23 fields	№ 211	2037	Production
15 fields	№ 413	2043	Production
Taisoigan	№ 327	2035	Production
West Novobogatinskoe	№4955	2027	Production
Karaton-Sarkamys	№ 3577	2048	Production
Novobogat Southeast (over-arch)	№ 4906	2051	Production
Taisoigan - 1	№5134	2028	Exploration
Taisoigan - 2	№5135	2028	Exploration

Commitments arising from oilfield licenses

Year	Capital expenditures	Operating expenses
2026	63,846,902	2,566,482
2027	1,189,446	2,231,181
2028	191,172	2,129,365
2029	-	2,126,684
2030-2051	-	7,600,132
Total	**65,227,520**	**16,653,844**