

21 August 2025

JSC National Company KazMunayGas Financial results for the first half of 2025

Astana, 21 August 2025 – Joint-stock National Company KazMunayGas (KMG or Company), Kazakhstan's national oil and gas company, published its interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) 34 "Interim Financial Statements" for the three and six months ended on 30 June 2025, with an independent auditor's report on the results of the review of interim financial information.

Key financial indicators for the first half of 2025¹ compared to the first half of 2024:

- Revenue amounted to 4,500 bln tenge (USD 8,789 mln) compared to 4,239 bln tenge (USD 9,440 mln);
- EBITDA amounted to 1,142 bln tenge (USD 2,230 mln) compared to 984 bln tenge (USD 2,190 mln);
- The Company's net profit including share in income of joint ventures and associates amounted to 534 bln tenge (USD 1,044 mln) compared to 550 bln tenge (USD 1,224 mln);
- Net profit adjusted for share in profit of joint ventures and associates² amounted to 660 bln tenge (USD 1,289 mln) compared to 591 bln tenge (USD 1,316 mln);
- Free cash flow amounted to 682 bln tenge (USD 1,331 mln) compared to 604 bln tenge (USD 1,345 mln);
- Gross debt as of 30 June 2025 amounted to 3,892 bln tenge (USD 7,490 mln) compared to 3,967 bln tenge (USD 7,555 mln) as of 31 December 2024;
- The Company's net debt as of 30 June 2025 was at 803 bln tenge (USD 1,546 mln) compared to 1,163 bln tenge (USD 2,214 mln) as of 31 December 2024.

Indicators	UoM	6M 2025	6M 2024 ³	%
Dated Brent ⁴ , average	\$/bbl	71.87	84.06	-14.5%
KEBCO ⁴ , average	\$/bbl	72.83	84.40	-13.7%
Exchange rate, average	USD/KZT	512.05	449.09	14.0%
Revenue	bln tenge	4,500	4,239	6.2%
Share in profit of JVs and associates, net	bln tenge	349	268	30.0%

¹ The amounts were converted to US dollars for user convenience at average exchange rates for respective periods (average USD/KZT for the first half of 2025 and 2024 were at 512.05 and 449.09 respectively; period-end USD/KZT as of 30 June 2025 and 31 December 2024 were at 519.64 and 525.11 respectively).

² Net profit adjusted for share in profit of joint ventures and associates = Net profit plus dividends received from joint ventures and associates, minus share in profit of joint ventures and associates.

³ For the purpose of presentation, expected credit losses were reclassified from General and Administrative expenses.

⁴ Source: S&P Global Platts.

Indicators	UoM	6M 2025	6M 2024 ³	%
Dividends received from JVs and associates, net	bln tenge	474	310	53.2%
Net profit	bln tenge	534	550	-2.8%
Net profit adjusted for the share in profit of JVs and associates	bln tenge	660	591	11.7%
EBITDA ⁵	bln tenge	1,142	984	16.1%
Adjusted EBITDA ⁶	bln tenge	1,267	1,025	23.7%
CAPEX (accrual basis)	bln tenge	259	282	-8.0%
CAPEX (cash basis)	bln tenge	262	270	-2.7%
Free cash flow ⁷	bln tenge	682	604	12.9%
Gross debt ⁸	bln tenge	3,892	3,967 ⁹	-1.9%
Net debt ¹⁰	bln tenge	803	1,163 ⁹	-30.9%

Key operating highlights for the first half of 2025¹¹ compared to the first half of 2024:

- Oil and gas condensate production increased by 8.8% and amounted to 13,043 thous. tonnes;
- Oil transportation volumes decreased by 0.3% and amounted to 41,616 thous. tonnes;
- Hydrocarbons refining volumes at the Kazakh and Romanian refineries increased by 16.5% and amounted to 10,375 thous. tonnes.

	1H 2025 (net to KMG)	1H 2024 (net to KMG)	%
Production:			
Oil and condensate, thous. tonnes	13,043	11,989	+8.8%
Gas, mln m ³	5,726	4,840	+18.3%
Transportation, thous. tonnes	41,616	41,733	-0.3%
Refining, thous. tonnes	10,375	8,902	+16.5%

⁵ EBITDA = Revenue plus Share in profit of JVs and associates, net, minus Cost of purchased oil, gas petroleum products and refining costs minus Production expenses minus General and administrative expenses minus Transportation and Selling expenses minus Taxes other than income tax.

⁶ Adjusted EBITDA = Revenue plus Dividends from JVs and associates, minus Cost of purchased oil, gas petroleum products and refining costs minus Production expenses minus General and administrative expenses minus Transportation and selling expenses minus Taxes other than income tax.

⁷ Free Cash Flow = Net cash flow from operating activities minus Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets. Dividends received from JVs and associates are included in cash flow from operating activities.

⁸ Total debt at the end of the reporting period = bonds plus loans (short-term and long-term). Guarantees issued are not included in the calculation.

⁹ Total debt and Net debt are presented as of 31 December 2024.

¹⁰ Net debt at the end of the reporting period = bonds plus loans minus cash and cash equivalents minus bank deposits (short-term and long-term). Guarantees issued are not included in the calculation.

¹¹ Operating results are represented in accordance with KMG's ownership interest in joint ventures and associates and 100% of results for consolidated subsidiaries. More detailed information is available in the press release on production results for the first half of 2025 at the link: <https://www.kmg.kz/en/investors/reporting>

Financial Highlights for the first half of 2025

Revenue

In the first half of 2025, the Company's revenue amounted to 4,500 bln tenge (USD 8,789 mln), representing a 6.2% increase compared to the first half of 2024. This growth was driven by higher revenue from sales of refined products at KMG International and at the Corporate Center. During the reporting period, hydrocarbon refining volume at KMG International refineries increased due to more stable operational activity, whereas in the first quarter of 2024 processing was limited due to the delayed start-up of the mild hydrocracking unit and major repairs at the refinery. This, along with the weakening of tenge vs. the US dollar year on year, offset the negative impact of lower global oil prices and reduced oil production at KMG Kashagan B.V. due to the increased gas factor in the extracted oil.

Share in profit of joint ventures and associates

The share in profit of joint ventures and associates increased by 30.0% to 349 bln tenge (USD 681 mln). This growth was primarily driven by the increase in the share of profit in Tengizchevroil LLP due to higher revenue due to the start of production at the Third Generation Plant under the Future Growth Project (January 2025); PetroKazakhstan Oil Products LLP (Shymkent Refinery), due to higher hydrocarbon refining volumes, the absence of maintenance shutdowns, and USDKZT dynamics during the reporting period; and Caspian Pipeline Consortium – due to higher oil transportation volumes driven by increased crude volumes transported from Tengiz field and USDKZT dynamics.

EBITDA

EBITDA for the first half of 2025 totaled 1,142 bln tenge (USD 2,230 mln), having increased by 16.1%. The growth was driven by higher revenue in the Exploration and production of oil and gas, Refining and trading of crude oil and refined products, at the Corporate Center level, and in the Other segment, as well as an increase in the share of profit in joint ventures and associates across all segments.

Adjusted EBITDA

Adjusted EBITDA, which reflects dividends received from joint ventures and associates instead of the share in the profit of joint ventures and associates, amounted to 1,267 bln tenge (USD 2,475 mln), representing an increase of 23.7%.

Net profit

The Company's net profit decreased by 2.8% compared to the same period in 2024, amounting to 534 bln tenge (USD 1,044 mln). The decline in net profit was driven by lower oil prices, higher depreciation, depletion and amortization expenses, lower other financial income, lower income from the disposal of a subsidiary, as well as foreign exchange loss¹². In the first half of 2024, KMG completed a transaction with Tatneft PJSC to sell its 50% share in Karaton Operating Ltd., recognizing gain from disposal of subsidiary in the amount of 16 bln tenge (USD 37 mln). In the first half of 2025, the Company sold its 60% share in Polimer Production LLP as part of a transaction with Sibur Holding PJSC and recorded gain from the disposal of a subsidiary in the amount of 3 bln tenge (USD 6 mln).

¹² In the first half of 2025, the Company recorded a foreign exchange loss from the revaluation of assets in the amount of 23 bln tenge (USD 44 mln) due to volatility in foreign currency exchange rates vs. tenge.

Net profit adjusted for share in profit of JVs and associates

Net profit adjusted for the share in joint ventures and associates increased by 11.7%, from 591 bln tenge (USD 1,316 mln) in the first half of 2024 to 660 bln tenge (USD 1,289 mln) in the first half of 2025.

Cost of purchased oil, gas, petroleum products and other materials

The cost of purchased oil, gas, petroleum products and other materials increased by 3.7%, amounting to 2,427 bln tenge (USD 4,739 mln). This was mainly driven by increased cost of oil for refining at KMG International.

Operating expenses

Production expenses increased by 18.7% to 759 bln tenge (USD 1,482 mln), primarily due to higher repair and maintenance expenses at KMG International and KMG Systems & Services LLP, higher electricity expenses, as well as higher payroll expenses for production personnel in the regions of operation.

Transportation and selling expenses for the reporting period totaled 146 bln tenge (USD 285 mln), up 10.7% compared to the same period in 2024. The increase was mainly driven by higher loading, transportation, and storage costs at KMG Kashagan B.V. and KMG International.

General and administrative expenses decreased by 14.9% to 94 bln tenge (USD 184 mln), primarily due to the absence of expenses for trust management in the first half of 2025, which were incurred in the same period of 2024 at the Corporate Center level. In the first half of 2024, the Company incurred unplanned expenses of 21 bln tenge (USD 47 mln) as remuneration to NC QazaqGaz JSC (a subsidiary of Samruk-Kazyna JSC) for the trust management of the Company's 50% interest in the joint venture LLP "KazRosGaz".

Taxes other than income tax amounted to 282 bln tenge (USD 551 mln), down by 6.8%, mainly due to lower mineral extraction tax expenses at Ozenmunaigas JSC and lower rent tax on crude oil exports at Ozenmunaigas JSC and Embamunaigas JSC.

Impairment of property, plant and equipment and exploration expenses

In the first half of 2025, the total amount of property, plant and equipment impairment and exploration expenses was at 19 bln tenge (USD 38 mln). This includes the impairment related to the recognition of impairment of expenses incurred for the construction of a seawater desalination plant and related infrastructure¹³ in the city of Zhanaozen in the amount of 21 bln tenge (USD 40 million).

Capital expenditures

Accrual-based capital expenditures totaled 259 bln tenge (USD 506 mln), down by 8.0%, due to lower capital expenditures mainly due to the major repairs in the first half of 2024 at KMG International in

¹³ As part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, in 2023 Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. KMG estimates that the recoverable amount of this property is nil and, accordingly, as at 30 June 2025, recognized an impairment charge for construction costs incurred for the six months ended 30 June 2025.

the Refining and trading of crude oil and refined products segment, and the completion of individual stages of investment projects of Dunga Operating GmbH, KMG Kashagan B.V., and KMG Barlau LLP in the Exploration and production of oil and gas segment.

Capital expenditures on a cash basis amounted to 262 bln tenge (USD 512 mln), having decreased by 2.7%, primarily due to reduced capital expenditures at KMG International, KMG Barlau LLP, Dunga Operating GmbH, and at the Corporate Center level.

Dividends Received from Joint Ventures and Associates

In the first half of 2025, dividends received from joint ventures and associates increased by 53.2% to 474 bln tenge (USD 926 mln), compared to 310 bln tenge (USD 689 mln) in the first half of 2024. The increase was primarily driven by higher dividends from Tengizchevroil LLP, which rose from 160 bln tenge (USD 356 mln) to 328 bln tenge (USD 641 mln); from the Caspian Pipeline Consortium project, which grew by 91.2% to 81 bln tenge (USD 158 mln) mainly due to dividend payments from Caspian Pipeline Consortium–R JSC; as well as increased dividends from Petrokazakhstan Inc., JV Kazgermunai LLP, and Kazakhstan–China Pipeline LLP.

Free cash flow

Free cash flow increased by 12.9% compared to the same period in 2024, reaching 682 bln tenge (USD 1,331 mln). The growth was driven by higher net cash flows from operating activities, including increased dividends received from joint ventures and associates, as well as lower purchase of property, plant and equipment, intangible assets and exploration and evaluation assets.

Debt management

Debt indicators

Indicators	UoM	30 June 2025	31 December 2024	%
Bonds	bln tenge	3,265	3,288	-0.7%
Loans	bln tenge	628	679	-7.6%
Gross debt	bln tenge	3,892	3,967	-1.9%

Numbers may not add up due to a rounding.

KMG's total debt is predominantly denominated in the US dollars (71% as of 30 June 2025). Total debt amounted to 3,892 bln tenge (USD 7,490 mln), representing a 1.9% decrease compared to 31 December 2024, mainly due to the appreciation of the tenge against the US dollar from 31 December 2024 to 30 June 2025, and the repayment of previously obtained borrowings.

Net debt

As of 30 June 2025, net debt amounted to 803 bln tenge (USD 1,546 mln), representing a decrease of 30.9% in tenge terms and 30.2% in the US dollar terms compared to 31 December 2024.

Cash and cash equivalents

Consolidated cash and cash equivalents including deposits

Name of the indicator	UoM	30 June 2025	31 December 2024	%
Cash and cash equivalents	bln tenge	1,801	1,216	48.0%
Long-term deposits	bln tenge	74	74	-0.3%
Short-term deposits	bln tenge	1,214	1,514	-19.8%
Cash and cash equivalents including deposits	bln tenge	3,089	2,805	10.1%

Numbers may not add up due to a rounding.

Consolidated cash and cash equivalents, including bank deposits, increased by 10.1% to 3,089 bln tenge as at 30 June 2025, compared with 31 December 2024. In the US dollar terms, cash and cash equivalents rose by 11.3% to USD 5,945 mln over the same period.

Key corporate events in the first half 2025:

- On 4 January 2025, Tengizchevroil LLP achieved a major milestone in the implementation of the Future Growth Project with the commencement of crude oil production at the new Third Generation Plant at the Tengiz field.
- On 8 January 2025, Embamunaigas JSC began drilling the first exploration well at the Taisoigan block in the Atyrau Region.
- On 10 February 2025, KMG received a “B” rating from the international Carbon Disclosure Project (CDP) for 2023, an improvement from the previous “C” rating.
- On 7 March 2025, KMG signed a contract for the exploration and production of hydrocarbons with the Ministry of Energy of the Republic of Kazakhstan for the complex subsurface site “Bolashak” located in the Mangystau Region.
- On 11 March 2025, at JV Caspi Bitum LLP the final stage of the modernization project commenced, which includes the installation of the T-1102 vacuum column and increasing the plant’s crude oil processing capacity to 1.5 mln tonnes per year.
- On 17 March 2025, the Company and PJSC SIBUR Holding signed a sale and purchase agreement for a 60% equity stake in Polymer Production LLC.
- On 7 April 2025 – an agreement was signed for the development of a feasibility study for the construction of a Sustainable Aviation Fuel (SAF) production plant by KazMunayGas-Aero LLP, LanzaJet. Inc., and KazFoodProducts LLP.
- On 30 April 2025, KMG and CNOOC signed a Joint Operations Agreement and a Financing Agreement, formalizing strategic partnership and setting forth the terms for the joint implementation of the Zhylyoi subsoil use project.
- On 29 May 2025, following the results of the Annual General Meeting of Shareholders (AGM), the shareholders, acting in accordance with the Company’s dividend policy, the recommendation of the Board of Directors, and based on the audited financial results for 2024, approved a dividend of 491.71 tenge per ordinary share, to be paid from the profit for 2024. As of 25 June, KMG completed the payment of dividends for 2024 in the total amount of 300 billion tenge.
- On 16 June 2025, KMG and SINOPEC signed Joint Operations and Financing Agreements for the Berezovskiy exploration project. On 27 June 2025, the international rating agency S&P Global Ratings upgraded the credit rating of KMG to “BBB-” reflecting the improved standalone credit profile and financial stability, with a stable outlook.

Indicators and calculation results are indicated with rounding. However, when comparing periods, exact values were used without rounding. Any possible adjustments related to rounding, in the Company's opinion, should not have a material effect on financial results.

For further information, please visit
<https://www.kmg.kz/en/investors/reporting>

Contacts:

ir@kmg.kz
Tel: +7 (7172) 78 64 34

About JSC National Company KazMunayGas:

JSC National Company KazMunayGas is Kazakhstan's leading vertically integrated oil and gas company, operating assets across the entire production cycle from the exploration and production of hydrocarbons to transportation, refining and specialised services. Established in 2002, the Company represents the government's interests in the national oil and gas industry.

KMG's main assets are as follows:

Upstream: Ozenmunaigas JSC (OMG) – 100%, Embamunaigas JSC (EMG) – 100%, Kazakhturkmunay LLP (KTM) – 100%, Urikhtau Operating LLP (UO) – 100%, Dunga¹⁴ – 60%, Mangistaumunaigas JSC (MMG) – 50%, JV Kazgermunai LLP (KGM) – 50%, PetroKazakhstan Inc. (PKI) – 33%, Karazhanbasmunai JSC (KBM) – 50%, Kazakhoil Aktobe LLP (KOA) – 50%, Ural Oil and Gas LLP (UOG) – 50%, Tengizchevroil LLP (Tengiz) – 20%, Karachaganak¹⁵ – 10%, Kashagan¹⁶ – 16.88%.

Midstream: KazTransOil JSC – 90%, Batumi Oil Terminal LLC – 100%, Kazakhstan-China Pipeline LLP (KCP) – 50%, MunaiTas North-West Pipeline Company LLP – 51%, Caspian Pipeline Consortium¹⁷ (CPC) – 20.75%, NMSC Kazmortransflot LLP (KMTF) – 100%.

Refining and marketing: Pavlodar Oil Chemistry Refinery LLP (Pavlodar Refinery) – 100%, Atyrau Oil Refinery LLP (Atyrau Refinery) – 99.53%, KMG International N.V. – 100%, Petromidia – 54.62%, Vega – 54.62%, KMG PetroChem LLP - 100%, PetroKazakhstan Oil Products LLP (Shymkent Refinery) – 49.72%, JV Caspi Bitum LLP – 50%, KC Energy Group LLP – 49%, Kazakhstan Petrochemical Industries Inc. LLP (KPI) – 49.5%, Silleno LLP – 40%.

Other: KMG Drilling & Services LLP - 100%, Oil Services Company LLP - 100%, Oil Construction Company LLP - 100%, Ken-Kurylys-Service LLP – 100%, KMG Systems & Services LLP – 100%, Kazakh Gas Processing Plant LLP (KazGPP) – 100%, KazRosGas LLP (KRG) – 50%, Mangistau Power B.V. – 49%.

¹⁴ Dunga Operating GmbH is a consolidated subsidiary, which subsequently holds a 60% share in the Dunga project.

¹⁵ KMG Karachaganak LLP is a consolidated subsidiary, which subsequently holds a 10% share in the Karachaganak project.

¹⁶ KMG Kashagan B.V. is a consolidated subsidiary, which subsequently holds a 16.88% share in the Kashagan project.

¹⁷ 19% directly owned by KMG, 1.75% through Kazakhstan Pipeline Ventures (KPV).