

JSC NC “KazMunayGas”

Consolidated financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

In millions of tenge	Attributable to equity holders of the Parent Company					Total	Non-controlling interests	Total
	Share capital	Additional paid-in capital	Other equity	Currency translation reserve	Retained earnings			
<b>As at December 31, 2024</b>	<b>916,541</b>	<b>1,142</b>	<b>(2,373)</b>	<b>5,132,868</b>	<b>5,985,894</b>	<b>12,034,072</b>	<b>(109,788)</b>	<b>11,924,284</b>
Net profit for the year	-	-	-	-	1,040,435	1,040,435	31,619	1,072,054
Other comprehensive income/(loss)	-	-	9,102	(304,080)	5,759	(289,219)	(289)	(289,508)
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>9,102</b>	<b>(304,080)</b>	<b>1,046,194</b>	<b>751,216</b>	<b>31,330</b>	<b>782,546</b>
Dividends (Note 25)	-	-	-	-	(300,002)	(300,002)	(3,635)	(303,637)
Distributions to Samruk-Kazyna (Note 25)	-	-	-	-	(4,197)	(4,197)	-	(4,197)
Transactions with Samruk-Kazyna (Note 25)	-	-	-	-	(12,671)	(12,671)	-	(12,671)
<b>As at December 31, 2025</b>	<b>916,541</b>	<b>1,142</b>	<b>6,729</b>	<b>4,828,788</b>	<b>6,715,218</b>	<b>12,468,418</b>	<b>(82,093)</b>	<b>12,386,325</b>

Deputy Chairman of the Management Board



*D.A. Aryssova*  
D.A. Aryssova

Chief accountant

*A.S. Yesbergenova*  
A.S. Yesbergenova

The accounting policies and explanatory notes on pages 307 through 380 form an integral part of these consolidated financial statements.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2025

## 1. GENERAL

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

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

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

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

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

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

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

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

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

## 2. BASIS OF PREPARATION

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

## Statement of compliance

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

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****2. BASIS OF PREPARATION (continued)****Statement of compliance (continued)**

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

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

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

*Transactions and balances*

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

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

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

*Group Companies*

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

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

*Exchange rates*

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

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

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

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

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

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

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

**Standards issued but not yet effective**

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

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

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

**Basis of consolidation**

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

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

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

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

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

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

**Subsidiaries**

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

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

**Business combinations and goodwill**

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

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

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

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

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

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

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

*Acquisition of subsidiaries from parties under common control*

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

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

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

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

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

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

**Investments in associates and joint ventures**

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

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

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Investments in associates and joint ventures (continued)**

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

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

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

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

*Subsoil use rights and property acquisition costs*

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

*Exploration and evaluation costs*

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

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

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

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

*Development costs*

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

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

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

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

Oil and gas assets are depreciated using a unit-of-production method, whereas tangible assets are depreciated over proved developed reserves and intangible assets – over proved reserves. Certain oil and gas assets with useful lives less than the remaining life of the fields or term of the subsoil use contracts are depreciated on a straight-line basis over useful lives.

Property, plant and equipment other than oil and gas assets and land principally comprise buildings, machinery and equipment, vehicles and others that are depreciated on a straight-line basis over the expected remaining useful average lives as follows:

Refinery assets	4-100 years
Pipelines	2-30 years
Buildings and improvements	2-100 years
Machinery and equipment	2-30 years
Vehicles	3-35 years
Other	2-20 years
Land	Not depreciated

The expected useful lives of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of property, plant and equipment, inclusive of production wells which stop producing commercial quantities of hydrocarbons and are scheduled for abandonment, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period the item is derecognized.

**Intangible assets**

Intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. Intangible assets include expenditure on acquiring subsoil use rights for oil and natural gas exploration, evaluation and development, computer software and goodwill. Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Intangible assets, except for goodwill and subsoil use rights, are amortized on a straight-line basis over the expected remaining useful life. The expected useful lives of the assets are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively. Computer software costs have an estimated useful life of 3 to 7 years.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is tested for impairment annually (as at December 31) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Impairment of exploration and evaluation assets**

Exploration and evaluation assets are tested for impairment when reclassified to oil and gas development tangible and intangible assets or whenever facts and circumstances indicate impairment.

One or more of the following facts and circumstances indicate that the Group should test exploration and evaluation assets for impairment (the list is not exhaustive):

- The period for which the Group entity has the right to explore and appraise in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on the further exploration for and evaluation of hydrocarbon resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of hydrocarbon resources in the specific area have not led to the discovery of commercially viable quantities of hydrocarbon resources and the Group entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**Asset retirement obligation (decommissioning)**

Provision for decommissioning is recognized in full, on a discounted cash flow basis, when the Group has an obligation to dismantle and remove a facility or an item of plant, property and equipment and to restore the site on which it is located, and when a reasonable estimate of that provision can be made. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also created. This asset is subsequently depreciated as part of the capital costs of the production and transportation facilities based on the appropriate depreciation method.

Changes in the measurement of an existing decommissioning provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or change in the discount rate, is accounted for so that:

- Changes in the provision are added to, or deducted from, the cost of the related asset in the current period;
- The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognized immediately in the consolidated statement of comprehensive income; and
- If the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss, in accordance with IAS 36.

**Financial assets****Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a debt financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

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

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

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through profit or loss.

The Group does not have financial assets at fair value through other comprehensive income.

**Derecognition**

A financial asset is primarily derecognized (removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Leases**

The Group assesses at contract inception whether a contract is, or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

**The Group as a lessee**

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)*****The Group as a lessee (continued)******Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

***Lease liabilities***

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Finance lease liabilities.

***Inventories***

Inventories are stated at the lower of cost and net realizable value on a first-in first-out (FIFO) basis. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the cost of production, including the appropriate proportion of depreciation, depletion and amortization and overheads based on normal capacity. Net realizable value of crude oil and refined products is based on estimated selling price in the ordinary course of business less any costs expected to be incurred to complete the sale.

***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, funds held in demand deposits, repurchase and reverse repurchase agreements (“reverse repo”) and other short-term highly liquid investments with original maturities of three months or less.

***Financial assets***

Notes of the National Bank of the Republic of Kazakhstan with a maturity of up to three months are recognized as financial assets measured at amortized cost, as these investments form part of the Group's investment activities.

***Financial liabilities******Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans borrowings and payables, or as derivatives financial instruments.

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

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)*****Financial liabilities (continued)******Initial recognition and measurement (continued)******Trade and other payables***

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

***Loans and borrowings***

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs.

The Group does not have financial liabilities at fair value through profit or loss.

***Financial guarantee contracts***

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the expected credit losses allowance calculated under IFRS 9 and the amount recognized less cumulative amortization, if any.

***Net investment hedges***

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or a foreign exchange gains and losses for a non-derivative is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivatives is recognized immediately in profit or loss. The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the US Dollars borrowings. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the fixed rate borrowings. As at December 31, 2025 and 2024, there was no ineffective portion of the hedge.

***Provisions***

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

***Provision for obligations to the Government***

The Government assigns various sponsorship and financing obligations to the Group. Management of the Group believes that such Government's assignments represent constructive obligations of the Group and require recognition on the basis of respective resolution of the Government. Furthermore, as the Government is acting as the ultimate controlling party of the Group, the expenditures on these assignments are recognized as other distributions to the Shareholders directly in the equity, in the consolidated financial statements.

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

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state – managed retirement benefit schemes are dealt with as defined contribution plans where the Group’s obligations under the scheme are equivalent to those arising in a defined contribution retirement benefit plan.

*Long-term employee benefits*

The Group provides long-term employee benefits to employees before, on and after retirement, in accordance with the collective agreements between the Group entities and their employees. The collective agreement provides for certain one-off retirement payments, financial aid for employees’ disability, anniversaries, funeral and other benefits. The entitlement to benefits is usually conditional on the employee remaining in service up to retirement age.

The expected costs of the benefits associated with one-off retirement payments are accrued over the period of employment using the same accounting methodology as used for defined benefit post-employment plans with defined payments upon the end of employment. Actuarial gains and losses arising in the year are taken to other comprehensive income. For this purpose, actuarial gains and losses comprise both the effects of changes in actuarial assumptions and experience adjustments arising because of differences between the previous actuarial assumptions and what has actually occurred. Other movements are recognized in the current period, including current service cost, any past service cost and the effect of any curtailments or settlements.

The most significant assumptions used in accounting for defined benefit obligations are discount rate and mortality assumptions. The discount rate is used to determine the net present value of future liabilities and each year the unwinding of the discount on those liabilities is charged to the consolidated statement of comprehensive income as finance costs. The mortality assumption is used to project the future stream of benefit payments, which is then discounted to arrive at a net present value of liabilities.

Employee benefits other than one-off retirement payments are considered as other long-term employee benefits. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for the defined benefit plan. Actuarial gains and losses on other long-term employee benefits are recognized in the profit or loss. These obligations are valued by independent qualified actuaries on an annual basis.

**Revenue recognition**

Revenues are recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. Specifically, domestic sales of crude oil and gas, as well as petroleum products and materials are usually recognized when title passes. For export sales, title generally passes at the border of the RK. Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts, volume rebates and reimbursable taxes.

Sales of support services are recognized as services are performed provided that the service price can be determined and no significant uncertainties regarding the receipt of revenues exist.

The Group mainly recognizes revenue for the following types:

*Revenue from sale of crude oil and oil products*

Revenue from the sale of oil and oil products is recognized when control of the goods is transferred to the customer and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for such goods or services.

*Revenue from transportation services*

Revenue from transportation services is recognized based on the actual volumes of oil transported in the reporting period. Revenue from transportation services is recognized upon completion of transportation, since at that point the Buyer receives and consumes the benefits of the service provided. Accordingly, the Group recognizes revenue at a point in time.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****Revenue recognition (continued)***Revenue from oil and oil products refinery services*

Revenue from oil and oil products refinery services is recognized if it is probable that the economic benefits will flow to the Group and if the revenue can be measured reliably, regardless of the timing of payment. Revenue from refinery services is recognized based on the actual volumes of oil refined in the reporting period. Revenue from oil and oil products refinery services is recognized upon completion of the refining process, since at that point the Buyer receives and consumes the benefits of the service provided. Accordingly, the Group recognizes revenue at a point in time.

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If the consideration was received from the customer before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue when the Group performs under the contract.

**Interest income and expense**

For all financial instruments measured at amortized cost, and interest income and interest expense are recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income and interest expense is included in finance costs in the consolidated statement of comprehensive income.

**Income taxes**

Income tax for the year comprises current income tax, alternative mineral extraction tax and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax (CIT) relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

Alternative mineral extraction tax (AMET) is treated as an income tax and forms part of income tax expense. In accordance with the applicable tax legislation, the Group accrues and pays AMET at set rates in respect of each subsoil use contract.

Deferred tax is calculated with respect to both CIT and AMET is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**Pillar II****International Tax Reform – Pillar II Model Rules – Amendments to IAS (IAS) 12 Income Taxes**

Consolidated revenue of the Group exceeds the threshold set by the Global Minimum Tax (Pillar Two) rules and is therefore subject to these rules. As of December 31, 2025, the application of Pillar Two rules does not have a significant impact on consolidated financial statements of the Group.

**Equity***Non-controlling interest*

Non-controlling interests are initially recognized in proportion to identifiable net assets at the acquisition date.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the Company’s owners. Total comprehensive income is attributed to the Company’s owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

*Dividends*

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are declared before the reporting date or after the reporting date but before the consolidated financial statements are authorized for issue.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities and assets, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Impairment testing assumptions**

The Group assessed the existence of impairment indicators of non-current assets and where impairment indicators were identified, the Group performed the impairment tests.

The Group’s long-term assumptions for Brent oil prices, KZT/USD exchange rate and inflation projections have been revised and are based on externally sourced forecasts and rates of the independent research organizations considering long-term market expectations. Production volumes estimates are based on proved developed and undeveloped reserves for subsidiaries, and on proved and probable reserves for significant investments in joint ventures and associates. Production period is either based on subsoil use contracts’ expiration date or on extended license period, to which the Group has strong intention to extend its licenses. Estimated production volumes are based on the Group’s production plans that are mostly used for the purposes of application filing for extension of subsoil use contracts.

Discount rates were estimated on the weighted average cost of capital of the individual cash generating unit and ranged between 10.90%-16.80% (2024: ranges between 11.22-16.42%) depending on the functional currency, production period, equity risk premium, beta and gearing ratio of the relevant CGU.

The long-term price assumptions applied were derived from Bloomberg consensus; so did the near-term commodity price assumptions, a summary of which, in real 2025 terms, is provided below:

	2026	2027	2028	2029	2030
Brent oil (ICE Brent \$/bbl)	61.00	64.00	69.24	69.50	71.03

For 2025 in “Exploration and production of oil and gas” segment net impairment charges were 26,026 million tenge (2024: 57,100 million tenge), which mainly relate to the impairment of a seawater desalination plant and supply infrastructure in Zhanaozen city in the amount of 24,145 million tenge (2024: 57,193 million) (Note 13).

For 2025 in “Corporate” segment net impairment charges were 19,084 million tenge (2024: 40,678 million tenge), which mainly relate the exploration and evaluation assets of Turgai Paleozoi project in the amount of 18,785 million tenge (2024: Abai project for 17,703 million tenge) (Note 13).

Headroom of the majority of oil and refining assets are sensitive to changes in price or other assumptions. The changes within next financial periods may result in recoverable amount of these assets above or below the current carrying amounts and therefore there is a risk of impairment reversals or charges in those periods.

**Oil and gas reserves**

Oil and gas reserves are a material factor in the Group’s computation of depreciation, depletion and amortization expenses. The Group estimates its oil and gas reserves in accordance with the methodology of the Society of Petroleum Engineers (SPE). In estimating its reserves under SPE methodology, the Group uses long-term planning prices. Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. Management believes that long-term planning price assumptions, which are also used by management for their business planning and investment decisions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves.

All reserve estimates involve some degree of uncertainty. The uncertainty depends mainly on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of this data.

The relative degree of uncertainty can be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Proved reserves are more certain to be recovered than unproved reserves and may be further sub-classified as developed and undeveloped to denote progressively increasing uncertainty in their recoverability.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Oil and gas reserves (continued)**

Estimates are reviewed and revised annually. Revisions occur due to the evaluation or re-evaluation of already available geological, reservoir or production data, availability of new data, or changes to underlying price assumptions. Reserve estimates may also be revised due to improved recovery projects, changes in production capacity or changes in development strategy. Proved developed reserves are used to calculate the unit of production rates for depreciation, depletion and amortization in relation to oil and gas production assets. The Group has included in proved reserves only those quantities that are expected to be produced during the initial subsoil use contract period. This is due to the uncertainties surrounding the outcome of such renewal procedures, since the renewal is ultimately at the discretion of the Government. An increase in the Group’s subsoil use contract periods and corresponding increase in reported reserves would generally lead to lower depreciation, depletion and amortization expense and could materially affect earnings. A reduction in proved developed reserves will increase depreciation, depletion and amortization expense (assuming constant production), reduce income and could also result in an immediate write-down of the property’s book value. Given the relatively small number of producing fields, it is possible that any changes in reserve estimates year on year could significantly affect prospective charges for depreciation, depletion and amortization.

Impairment test results are presented further in this note.

**Recoverability of oil and gas assets, downstream, refining and other assets**

The Group assesses assets or CGU for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices, discount rates, future capital requirements, operating performance (including production and sales volumes) that are subject to risk and uncertainty. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered to be impaired and is written down to its recoverable amount. In assessing recoverable values, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

**KMGI CGU, including goodwill**

As at December 31, 2025 and 2024, the Group performed impairment tests for goodwill and downstream, refining and other assets at the CGUs of KMGI: CGU Refining, CGU Petrochemicals and CGU Downstream.

The recoverable amount of KMGI CGU Refining was determined based on fair value less costs of disposal (FVLCD), which was calculated using the discounted cash flow method. The discounted cash flows were based on approved Business Plan covering 2026 – 2030. The key assumptions used in the FVLCD calculations for the CGU were operating profit, discount rates and growth rate used to extrapolate cash flows beyond the budgeted period. The impact of the revenue tax over the forecast period was considered in the analysis: the 5-year business plan cash-flows were adjusted considering the current fiscal environment. The discount rate applied in 2025 to cash flow projections was 11.64% (2024: 11.20%) and cash flows beyond the 5-year period were extrapolated using growth rate in the range from 0.065% to 0.344% (2024: negative growth rate of 0.65%).

As at December 31, 2025 and 2024, the recoverable amount of KMGI CGU exceeded its book value, as such no impairment was recognized.

**Sensitivity to changes in assumptions**

The financial model of the CGU Refining is sensitive to changes in the assumed factors, in particular sales volumes, cracks margin, discount rate and perpetuity growth rates.

Significant assumption	Change in assumption +/-% to the level used in test	Effect on recoverable amount Increase/(decrease)
Volumes	+/(-1.0%)	25,700 million tenge/ (25,870 million tenge)
Cracks margin	+/(-1.0%)	26,102 million tenge/ (26,209 million tenge)
Discount rate	+/(-0.5%)	(22,361 million tenge)/ 25,609 million tenge
Perpetuity growth rate	+/(-0.4%)	12,145 million tenge/ (11,343 million tenge)

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)****KMGI CGU, including goodwill (continued)**

The financial model of the CGU Downstream is sensitive to changes in the assumed factors, in particular gross margin, discount rate and perpetuity growth rates.

Significant assumption	Change in assumption +/-% to the level used in test	Effect on recoverable amount Increase/(decrease)
Gross margin	+/-(-2%)	25,095 million tenge/ (25,095 million tenge)
Discount rate	+/-(-0.5%)	(8,365 million tenge)/ 9,181 million tenge
Perpetuity growth rate	+/-(-0.5%)	6,325 million tenge/ (7,141 million tenge)

**OMG CGU**

As at December 31, 2025, the Group performed an annual impairment tests of OMG CGU. The recoverable amount of OMG CGU was determined based on the value in use calculated by the Group management using the discounted cash flow method. The discounted cash flows were based on approved Business Plan covering 2026 – 2030 and forecast data up to 2050 based on a reasonable expectation of license renewal. Key assumptions include crude oil price dynamics, production volumes, operating expenses and discount rates. Projected cash flows are based on an estimate of recoverable proved and probable oil reserves prepared by an independent appraiser. The discount rate applied to the cash flow projections in 2025 was 16.4%.

As at December 31, 2025, the recoverable amount of OMG CGU exceeded its book value, as such no impairment was recognized.

*Sensitivity to changes in assumptions*

The OMG CGU financial model is sensitive to changes in significant assumptions, in particular, the crude oil sales prices, export and domestic sales volumes, the estimate of proved and probable reserves, and the discount rate.

Significant assumption	Change in assumption +/-% to the level used in the test	Effect on recoverable amount Increase/(decrease)
Brent crude oil price	+/-(-3%)	81,824 million tenge/ (81,824 million tenge)
The selling price of crude oil on the domestic market	+/-(-3%)	89,882 million tenge/ (89,882 million tenge)
Export sales volumes	+/-(-3%)	54,688 million tenge/ (54,688 million tenge)
Domestic sales volumes	+/-(-3%)	85,387 million tenge/ 85,387 million tenge
Estimation of proven and probable oil reserves (2P)	+/-(-3%) change in reserve estimate (2P) due to geological reinterpretation + 100 basis points (17.4%)/ - 100 basis points (15.4%)	140,072 million tenge/ 140,072 million tenge (73,529 million tenge)/ 82,350 million tenge
Discount rate	- 100 basis points (15.4%)	82,350 million tenge

**Pavlodar refinery, including goodwill**

As of December 31, 2025, and 2024, the Group has goodwill of 88,553 million tenge related to acquisition of Pavlodar refinery (Note 17). In December 2025 and 2024 the Group performed annual impairment test for the Pavlodar refinery goodwill. In assessing the recoverable amount, the fair value less the cost of sale was calculated, determined using a marketing scheme. The Group considered the forecast for oil tolling volumes, oil tolling tariffs, capital expenditures, among other factors, when reviewing for indicators of impairment. The recoverable amount is calculated using a discounted cash flow model. In 2025, the discount rate of 14.18% (2024: 14.12%) was calculated based on the pre-tax weighted average cost of capital. The inherent risk was included by applying an individual beta factor. The beta factor was estimated based on the publicly available market data. Forecasted cash flows till to 2035 were based on five-years business plan of Pavlodar refinery 2026-2030 years (2024: 2025-2029 years), which assumes current management estimates on potential changes in operating and capital costs. As at December 31, 2025 and 2024, the recoverable amount of goodwill, which was determined based on fair value less cost to sell, exceeded its book value, as such no impairment of Pavlodar refinery goodwill was recognized.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Recoverability of oil and gas assets, downstream, refining and other assets (continued)****Pavlodar refinery, including goodwill (continued)***Sensitivity to changes in assumptions*

Results of the assessment of recoverable amount of Pavlodar refinery goodwill are sensitive to changes in key assumptions, in particular, assumptions related to changes in discount rate and target EBITDA in terminal period. Increase in discount rates by 1.0% to 15.18% (2024: 1.0% to 15.12%) and decrease of target EBITDA in terminal period by 1% would not result decrease of the recoverable amount of CGU Pavlodar refinery to its carrying value.

**Other CGUs**

Revision to the Group’s commodity price and other assumptions have not resulted in impairment charges in any other CGUs.

**Assets retirement obligations***Oil and gas production facilities*

Under the terms of certain subsoil use contracts, legislation and regulations the Group has legal obligations to dismantle and remove tangible assets and restore the land at each production site. Specifically, the Group’s obligation relates to the ongoing closure of all non-producing wells and final closure activities such as removal of pipes, buildings and recultivation of the contract territories, and also obligations to dismantle and remove tangible assets and restore territory at each production site. Since the subsoil use contract terms cannot be extended at the discretion of the Group, the settlement date of the final closure obligations has been assumed to be the end of each subsoil use contract period. The extent of the Group’s obligations to finance the abandonment of wells and for final closure costs depends on the terms of the respective subsoil use contracts and current legislation.

Where neither subsoil use contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the subsoil use contract term, no liability has been recognized. There is some uncertainty and significant judgment involved in making such a determination. Management’s assessment of the presence or absence of such obligations could change with shifts in policies and practices of the Government or in the local industry practice.

The Group calculates asset retirement obligations separately for each contract. The amount of the obligation is the present value of the estimated expenditures expected to be required to settle the obligation adjusted for expected inflation and discounted using average long-term risk-free interest rates for emerging market sovereign debt adjusted for risks specific to the Kazakhstan market.

At each reporting date the Group reviews site restoration provisions, and adjusts them to reflect the current best estimate in accordance with IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

Estimating the future closure costs involves significant estimates and judgments by management. Most of these obligations are many years in the future and, in addition to ambiguities in the legal requirements, the Group’s estimate can be affected by changes in asset removal technologies, costs and industry practice. The Group estimates future well abandonment cost using current year prices and the average long-term inflation rate.

The long-term inflation and discount rates used to determine the obligation of the Group entities at December 31, 2025 were in the range from 2.19% to 8.55% and from 5.8% to 14.9%, respectively (December 31, 2024: from 2.24% to 8.60% and from 6.85% to 12.15%, respectively). Long-term inflation assumptions were determined with reference to the expected timing of settlement of the decommissioning and liquidation obligation and the currency in which the related expenditures required to settle the obligation are expected to be incurred.

As at December 31, 2025 the carrying amounts of the Group’s asset retirement obligations relating to decommissioning of oil and gas facilities were 142,314 million tenge (December 31, 2024: 142,009 million tenge) (Note 28).

*Major oil and gas pipelines*

According to the Law of the RK *On Major Pipelines* which was made effective on July 4, 2012 KTO has legal obligation to decommission its major oil pipelines at the end of their operating life and to restore the land to its original condition. Asset retirement obligation is calculated based on estimate of the work to decommission and rehabilitate. As at December 31, 2025, the carrying values of the Group’s asset retirement obligations relating to decommissioning of pipelines and land were 24,053 million tenge (December 31, 2024: 37,405 million tenge) (Note 28).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Assets retirement obligations (continued)****Environmental remediation obligations provision (continued)**

In accordance with applicable environmental legislation, the Group has analyzed the changes and, accordingly, estimated the amount of potential liabilities related to the asset retirement and land recultivation. As at December 31, 2025, the carrying amount of the Group's assets retirement obligations were in total amount of 33,611 million tenge (31 December, 2024: 41,778 million tenge), which is equal to the present value of future cash outflows (*Notes 28 and 34*).

The Group continues to monitor this matter and will adjust for new facts and circumstances, and any clarification provided by the State body in regards to the application of the Environmental Code of the RK.

The Group also makes judgments and estimates in establishing provisions for environmental remediation obligations. Environmental expenditures are capitalized or expensed depending upon their future economic benefit. Expenditures that relate to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Liabilities are determined based on current information about costs and expected plans for remediation and are recorded on discounted basis. The Group's environmental remediation provision represents management best estimate based on an independent assessment of the anticipated expenditure necessary for the Group to remain in compliance with the current regulatory regime in Kazakhstan and Europe. The Group has classified this obligation as non-current except for the portion of costs, included in the annual budget for 2025. For environmental remediation provisions, actual costs can differ from estimates because of changes in laws and regulations, public expectations, discovery and analysis of site conditions and changes in clean-up technology. Movements in the provision for environmental remediation obligations are disclosed in *Note 28*.

**Employee benefits**

The cost of defined long-term employee benefits payable before, on and after retirement and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Taxation**

In assessing tax risks, management considers to be probable obligations the known areas of tax positions which the Group would not appeal or does not believe it could successfully appeal, if assessed by tax authorities. Such determinations inherently involve significant judgment and are subject to change as a result of changes in tax laws and regulations, amendments to the taxation terms of the Group's subsoil use contracts, the determination of expected outcomes from pending tax proceedings and current outcome of ongoing compliance audits by tax authorities. The provision for tax risks other than on income tax are disclosed under provisions for taxes in *Note 28*. Contingent liabilities for tax risks other than on income tax are disclosed in *Note 34*. Provisions and contingent liabilities related to income tax are included or disclosed as income tax liabilities or contingencies (see *Note 31 and 34*).

**Useful lives of property, plant and equipment**

The Group assesses the remaining useful lives of items of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for prospectively as a change in an accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**Fair value of financial instruments**

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments presented in the consolidated financial statements. Further details are disclosed in *Note 33*.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL****Polimer Production LLP (further - Polimer)**

On March 17, 2025, the Company and Sibur Holding PJSC signed a purchase and sale agreement for a 60% share of Polimer, subsidiary of the Company. On April 4, 2025, Polimer was re-registered. As a result, the Group lost control over Polimer and retained 40% interest.

The sale price of a 60% share in Polimer was 1,188 million tenge.

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 792 million tenge at the date of loss of control.

The Company and Sibur Holding PJSC have joint control over the Polimer where decisions about the relevant activities of Polimer require unanimous consent.

The net cash flows incurred by Polimer for the period from January 1, 2025 through the date of loss of control were as follows:

*In millions of tenge*

Operating	(510)
Investing	(37)
Financing	356
<b>Net decrease in cash and cash equivalents</b>	<b>(191)</b>

At the date of loss of control net liabilities of Polimer were as follows:

*In millions of tenge*

<b>Assets</b>	
Property, plant and equipment ( <i>Note 15</i> )	974
Inventories	769
Other assets	86
Cash and cash equivalents	25
<b>Total assets</b>	<b>1,854</b>
<b>Liabilities</b>	
Trade accounts payable	82
Other current liabilities	2,792
<b>Total liabilities</b>	<b>2,874</b>
<b>Net liabilities directly associated with the disposal group</b>	<b>(1,020)</b>
Cash consideration received at the date of disposal of subsidiary	1,188
Fair value of 40% retained interest in a joint venture *	792
<b>Gain from disposal of subsidiary</b>	<b>3,000</b>

\* The Group recognized 40% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Polimer.

The business of Polimer represented in the Group's Other segment.

**Karaton Operating Ltd. (further Karaton)**

On February 21, 2024, the Company and Tatneft PJSC signed a purchase and sale agreement for a 50% share of Karaton, subsidiary of the Company, holder of a contract for the production of hydrocarbons at Karaton subsoil blocks located in Atyrau region. As a result, on February 21, 2024, the Group lost control over Karaton.

The sale price of a 50% share in Karaton was 18.2 million US dollars (equivalent to 8,255 million tenge at the date of disposal of subsidiary).

On March 13, 2024, Tatneft PJSC made a payment of cash consideration in the amount of 18.2 million US dollars (equivalent to 8,188 million tenge at the date of payment).

The investment retained in the former subsidiary is accounted as an investment in joint venture accounted for using the equity method and with initial fair value of 8,255 million tenge at the date of loss of control.

## JSC “National Company “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****5. LOSS OF CONTROL (continued)****Karaton Operating Ltd. (further Karaton) (continued)**

The Company and Tatneft PJSC have joint control over the Karaton where decisions about the relevant activities of Karaton require unanimous consent.

The net cash flows incurred by Karaton for the period from January 1, 2024 through the date of loss of control are as follows:

<i>In millions of tenge</i>	
Investing	(118)
<b>Net decrease in cash and cash equivalents</b>	<b>(118)</b>

At the date of loss of control net assets of Karaton were as follows:

<i>In millions of tenge</i>	
<b>Assets</b>	
Exploration and evaluation assets (Note 16)	291
Property, plant and equipment (Note 15)	28
Other assets	21
Cash and cash equivalents	178
<b>Total assets</b>	<b>518</b>
<b>Liabilities</b>	
Trade accounts payable	5
Other current liabilities	413
<b>Total liabilities</b>	<b>418</b>
<b>Net assets directly associated with the disposal group</b>	<b>100</b>
Cash consideration received at the date of disposal of subsidiary	8,255
Fair value of 50% retained interest in a joint venture (Note 20)*	8,255
<b>Gain from disposal of subsidiary</b>	<b>16,410</b>

\* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Karaton.

The business of Karaton represented in the Group’s Exploration and production of oil and gas segment.

**6. REVENUE FROM CONTRACTS WITH CUSTOMERS**

<i>In millions of tenge</i>	2025	2024
<b>Type of goods and services</b>		
Sales of crude oil and gas	4,755,386	4,695,223
Sales of refined products	3,587,498	2,697,812
Oil transportation services	257,909	240,728
Refining of oil and oil products	247,740	258,530
Other revenue	522,955	437,968
	<b>9,371,488</b>	<b>8,330,261</b>
<b>Geographical markets</b>		
UAE	2,299,934	1,850,402
Kazakhstan	2,005,993	1,602,854
Romania	1,501,531	1,198,203
Switzerland	1,454,275	1,852,928
The Netherlands	676,440	741,826
Other countries	1,433,315	1,084,048
	<b>9,371,488</b>	<b>8,330,261</b>
<b>Timing of revenue recognition</b>		
At a point in time	9,091,871	8,093,554
Over time	279,617	236,707
	<b>9,371,488</b>	<b>8,330,261</b>

## JSC “National Company “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)**

For the year ended December 31, 2025, major customers of the Group, BGN INT DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise about 23% and 13%, respectively, of total revenues of the Group (for the year ended December 31, 2024, major customers of the Group, PETRACO ENERGIES DMCC and VITOL S.A., for the sales of crude oil, gas and refined products comprise about 20% and 18%, respectively, of total revenues of the Group).

**7. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET**

<i>In millions of tenge</i>	2025	2024
<b>Joint ventures</b>		
Tengizchevroil LLP	412,459	303,480
KC Energy Group LLP *	64,559	27,288
Mangistau Investments B.V. Group (MMG)	51,310	35,726
Valsera Holdings B.V. Group (PKOP)	20,990	(177)
KazGerMunay LLP	17,139	25,336
Kazakhstan-China Pipeline LLP	16,540	20,844
Kazakhoil-Aktobe LLP	3,367	5,986
KazRosGas LLP	3,020	19,157
PETROSUN LLP *	529	26,238
Kazakhstan Petrochemical Industries Inc. LLP (KPI)	(855)	(5,210)
Teniz Service LLP	(1,270)	(1,742)
Ural Group Limited	(5,213)	(8,961)
Other	6,020	(2,185)
	<b>588,595</b>	<b>445,780</b>
<b>Associates</b>		
Caspian Pipeline Consortium	182,947	81,525
PetroKazakhstan Inc.	2,680	2,253
Other	6,413	1,672
	<b>192,040</b>	<b>85,450</b>
	<b>780,635</b>	<b>531,230</b>

\* KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. The activities of PETROSUN LLP were transferred to KC Energy Group LLP. PETROSUN LLP is on the process of liquidation.

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

<i>In millions of tenge</i>	2025	2024
Purchased oil for resale	3,604,276	3,380,238
Cost of oil for refining	667,485	338,490
Materials and supplies	535,495	552,810
Purchased petroleum products for resale	232,261	75,473
	<b>5,039,517</b>	<b>4,347,011</b>

**9. PRODUCTION EXPENSES**

<i>In millions of tenge</i>	2025	2024
Payroll	657,761	606,560
Repair and maintenance	301,355	272,584
Energy	171,745	125,666
Transportation costs	144,711	156,399
Tanker chartering	62,363	86,608
Change in finished goods and work-in-progress	24,204	(12,197)
Social contributions	21,838	17,900
Realized loss/(gain) from derivatives on petroleum products	19,060	(19,502)
Environmental protection	18,606	15,015
Security expenses	18,079	16,016
Short-term lease expenses	7,373	5,769
(Recovery)/write-off of inventories to net realizable value	(4,554)	1,485
Others	146,066	126,301
	<b>1,588,607</b>	<b>1,398,604</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****10. TAXES OTHER THAN INCOME TAX**

<i>In millions of tenge</i>	2025	2024
Excise	168,337	120,114
Export customs duty	113,444	124,941
Rent tax on crude oil export	112,730	139,656
Mineral extraction tax	73,836	99,446
Social tax	60,699	50,921
Property tax	34,648	33,345
Turnover tax	17,142	14,472
Other taxes	12,092	10,089
	<b>592,928</b>	<b>592,984</b>

**11. TRANSPORTATION AND SELLING EXPENSES**

<i>In millions of tenge</i>	2025	2024
Transportation	228,786	200,844
Payroll	25,845	21,552
Third party services	16,780	12,731
Maintenance	11,557	8,646
Other	36,120	24,051
	<b>319,088</b>	<b>267,824</b>

**12. GENERAL AND ADMINISTRATIVE EXPENSES**

<i>In millions of tenge</i>	2025	2024
Payroll	92,503	93,824
Trust management expenses	19,157	53,276
Consulting services	17,371	16,531
Social payments	11,313	6,825
Maintenance	8,559	8,926
VAT non-recoverable	4,920	1,237
Impairment of VAT receivable	3,458	7,063
Communication	880	2,218
Other	60,463	64,248
	<b>218,624</b>	<b>254,148</b>

For 2025, the total payroll amounted to 776,109 million tenge (2024: 721,936 million tenge) and was included in production expenses, transportation and selling expenses and general and administrative expenses in the consolidated statement of comprehensive income.

For 2025, the Group recognized remuneration to JSC NC QazaqGaz, a subsidiary of Samruk-Kazyna, for the services of trust management of a 50% interest in KazRosGaz LLP, a joint venture, in the amount of 19,157 million tenge as trust management expenses in these consolidated financial statements (2024: 53,276 million tenge).

## JSC “National Company “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****13. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND EXPLORATION EXPENSES**

<i>In millions of tenge</i>	2025	2024
<b>Impairment charge and reversal</b>		
Property, plant and equipment	15,298	65,401
Intangible assets (Note 17)	120	-
Non-current advances for fixed assets	-	(17,324)
	<b>15,418</b>	<b>48,077</b>
<b>Exploration expenses (impairment and write-off) (Note 16)</b>		
Turgai Paleozoic project	18,785	-
Barlau	1,323	-
Abai project	-	17,703
Aktoty and Kairan project	-	3,953
Other	236	-
	<b>20,344</b>	<b>21,656</b>
	<b>35,762</b>	<b>69,733</b>

Impairment charge and (reversal) was recognized for the following CGUs:

<i>In millions of tenge</i>	2025	2024
Seawater desalination plant	24,145	53,197
CGUs of KTO, KMTF and KMGJ	(11,332)	1,010
Drilling jack-up rig	-	(16,189)
Others	2,605	10,059
	<b>15,418</b>	<b>48,077</b>

**Impairment of property, plant and equipment***Impairment of a seawater desalination plant and supply infrastructure*

In 2023 as part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, Ak Su KMG LLP, a subsidiary of Ozenmunaigas JSC, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group considers the recoverable amount of this asset to be nil and, accordingly, recognized an impairment loss on construction costs incurred during 2025 in the amount of 24,145 million tenge. (In 2024, the Group recognized an impairment loss in the amount of 70,521 million tenge and reversed the provision recognized in 2023 in respect of the advance paid for the construction of the desalination plant in the amount of 17,324 million tenge). In December 2025, the desalination plant was transferred to the Akimat of the Mangystau Region.

*Exploration expenses*

For the year ended December 31, 2025, the Group recognized an impairment loss on exploration and evaluation assets related to the Turgai Paleozoic project in the amount of 18,785 million tenge due to negative drilling results and the absence of hydrocarbon indications in the well.

For the year ended December 31, 2024, the Group recognized impairment loss of 17,703 million tenge on exploration and evaluation assets relating to Abai project due to negative drilling results and the absence of signs of hydrocarbon reserves in the well.

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

<i>In millions of tenge</i>	2025	2024
Interest income on bank deposits, financial assets, loans and bonds	191,896	182,627
Other	6,063	1,765
	<b>197,959</b>	<b>184,392</b>

## JSC “National Company “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****14. INTEREST INCOME, OTHER FINANCE INCOME / FINANCE COST (continued)****Other finance income**

<i>In millions of tenge</i>	2025	2024
Derecognition of loan (Note 26)	24,775	48,442
Revaluation of financial assets at fair value through profit or loss	3,430	6,806
Recognition of a change in the fair value of a financial instrument due to its modification (Note 26)	-	59,769
Other	14,800	8,273
	<b>43,005</b>	<b>123,290</b>

**Finance costs**

<i>In millions of tenge</i>	2025	2024
Interest expense on loans and bonds (Note 26)	284,485	279,227
Interest expense on lease liabilities (Note 27)	9,343	8,444
<b>Interest expense</b>	<b>293,828</b>	<b>287,671</b>
Unwinding of discount on asset retirement obligations, for environmental obligation and other provisions (Note 28)	21,440	18,870
Unwinding of discount on long-term accounts receivable (Note 32)	1,668	8,741
Unwinding of discount on employee benefits obligations	8,365	7,648
Other	42,754	23,166
	<b>368,055</b>	<b>346,096</b>

## JSC NC “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****15. PROPERTY, PLANT AND EQUIPMENT**

<i>In millions of tenge</i>	Oil and gas assets	Pipelines	Refinery assets	Buildings and improvements	Machinery and equipment	Vehicles	Other	Capital work in progress	Total
<b>Net book value as at December 31, 2023</b>	4,647,662	261,762	1,008,653	243,107	375,432	78,095	114,411	442,120	7,171,242
Foreign currency translation	571,416	6,245	33,626	13,340	9,007	4,495	12,631	35,800	686,560
Change in estimate for asset retirement obligations	(8,763)	(7,341)	(2,770)	(3,197)	687	-	-	-	(21,384)
Additions	56,890	59	69,497	947	7,706	10,187	3,910	519,302	668,498
Disposals	(38,605)	(59)	(5,681)	(6,650)	(7,267)	(3,124)	(7,612)	(2,217)	(71,215)
Loss of control over subsidiaries (Note 5)	-	-	-	-	-	-	(28)	-	(28)
Depreciation charge	(390,800)	(11,358)	(100,757)	(13,150)	(32,356)	(14,141)	(10,424)	-	(572,986)
Accumulated depreciation and impairment on disposals	31,438	59	5,607	6,439	7,046	3,069	6,349	1,857	61,864
Impairment	-	-	(5,344)	(4,369)	(293)	(2,201)	-	(72,651)	(84,858)
Reversal of impairment	-	-	1,673	1,427	16,278	1	12	66	19,457
Transfers from exploration and evaluation assets (Note 16)	58	-	-	-	-	-	-	-	58
Transfers to investment property	-	-	(425)	(6,273)	(27)	-	(3)	-	(6,728)
Other changes	51	(4)	174	(301)	59	(1)	485	(16,783)	(16,320)
Transfers	231,203	4,322	50,335	36,164	26,561	7,687	7,487	(363,759)	-
<b>Net book value as at December 31, 2024</b>	5,100,550	253,685	1,054,588	267,484	402,833	84,067	127,218	543,735	7,834,160
At cost	8,656,287	425,890	3,205,635	681,123	840,291	259,995	292,885	710,089	15,072,195
Accumulated depreciation and impairment	(3,555,737)	(172,205)	(2,151,047)	(413,639)	(437,458)	(175,928)	(165,667)	(166,354)	(7,238,035)
<b>Net book value as at December 31, 2024</b>	5,100,550	253,685	1,054,588	267,484	402,833	84,067	127,218	543,735	7,834,160

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 15. PROPERTY, PLANT AND EQUIPMENT (continued)

<i>In millions of tenge</i>	Oil and gas assets	Pipelines	Refinery assets	Buildings and improvements	Machinery and equipment	Vehicles	Other	Capital work in progress	Total
<b>Net book value as at December 31, 2024</b>	5,100,550	253,685	1,054,588	267,484	402,833	84,067	127,218	543,735	7,834,160
Foreign currency translation	(151,929)	(1,652)	(8,946)	(4,182)	(4,237)	(1,082)	(3,714)	(6,624)	(182,366)
Change in estimate for asset retirement obligations	(13,695)	(9,225)	(12,734)	(4,890)	-	-	5	-	(40,539)
Additions	34,628	1,135	1,611	4,142	15,589	13,707	3,551	564,435	638,798
Disposals, net	(2,108)	(340)	(62)	(2,630)	(1,223)	(29)	(390)	(244)	(7,026)
Loss of control over subsidiaries (Note 5)	-	-	-	(944)	(21)	-	(9)	-	(974)
Depreciation charge	(446,040)	(12,377)	(109,494)	(16,676)	(35,505)	(15,646)	(10,559)	-	(646,297)
Impairment	(220)	(26)	-	(1,247)	(50)	(220)	(204)	(27,479)	(29,446)
Reversal of impairment	-	-	3,000	-	66	3,693	7,042	347	14,148
Transfers from exploration and evaluation assets (Note 16)	4,741	-	-	-	-	-	-	-	4,741
Transfers from/(to) investment property, net	-	-	17	4,235	-	-	(11)	-	4,241
Other changes	(138)	(8)	136	-	27	(3)	1,150	25	1,189
Transfers	261,279	82,206	92,384	26,924	83,832	28,580	8,478	(583,683)	-
<b>Net book value as at December 31, 2025</b>	<b>4,787,068</b>	<b>313,398</b>	<b>1,020,500</b>	<b>272,216</b>	<b>461,311</b>	<b>113,067</b>	<b>132,557</b>	<b>490,512</b>	<b>7,590,629</b>
At cost	8,613,222	490,533	3,211,055	676,711	911,790	295,755	292,996	575,795	15,067,857
Accumulated depreciation and impairment	(3,826,154)	(177,135)	(2,190,555)	(404,495)	(450,479)	(182,688)	(160,439)	(85,283)	(7,477,228)
<b>Net book value as at December 31, 2025</b>	<b>4,787,068</b>	<b>313,398</b>	<b>1,020,500</b>	<b>272,216</b>	<b>461,311</b>	<b>113,067</b>	<b>132,557</b>	<b>490,512</b>	<b>7,590,629</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 15. PROPERTY, PLANT AND EQUIPMENT (continued)

For the year ended December 31, 2025, the Group capitalized to the carrying amount of property, plant and equipment borrowing costs in the amount of 9,126 million tenge related to the construction of new assets at the range of capitalized interest rate from 5.12% to 19.50% (as at December 31, 2024: 3,718 million tenge at the range of capitalized interest rate from 5.71% to 15.75%).

As at December 31, 2025, the cost of fully depreciated but still in use property, plant and equipment was 451,934 million tenge (as at December 31, 2024: 404,898 million tenge).

As at December 31, 2025, property, plant and equipment with the net book value of 156,810 million tenge were mainly pledged as collateral to secure borrowings of the Group (as at December 31, 2024: 163,170 million tenge).

Capital commitments are disclosed in Note 34.

## 16. EXPLORATION AND EVALUATION ASSETS

<i>In millions of tenge</i>	Tangible	Intangible	Total
<b>Net book value as at December 31, 2023</b>	157,025	17,162	174,187
Additions	26,063	13,058	39,121
Foreign currency translation	21,217	-	21,217
Change in estimate	4,008	-	4,008
Transfer to property, plant and equipment (Note 15)	(58)	-	(58)
Impairment (Note 13)	(20,647)	(1,009)	(21,656)
Loss of control over subsidiaries (Note 5)	(191)	(100)	(291)
Other transfers	84	(84)	-
Write-off	-	(80)	(80)
<b>Net book value as at December 31, 2024</b>	<b>187,501</b>	<b>28,947</b>	<b>216,448</b>
Additions	14,398	14,754	29,152
Foreign currency translation	(5,839)	-	(5,839)
Change in estimate	932	-	932
Transfer to property, plant and equipment (Note 15)	(4,741)	-	(4,741)
Transfer to intangible assets (Note 17)	-	(412)	(412)
Impairment (Note 13)	(18,921)	(1,423)	(20,344)
Write-off	(3,735)	(51)	(3,786)
<b>Net book value as at December 31, 2025</b>	<b>169,595</b>	<b>41,815</b>	<b>211,410</b>

As at December 31, 2025 and 2024, the exploration and evaluation assets are represented by the following projects:

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
North Caspian project	156,655	161,838
Projects for geological exploration	40,185	27,199
Eastern Bekturly project	4,804	4,615
Karazhar project	4,317	247
Taisoigan project	2,335	2,711
Turgai paleozoi project (Note 13)	-	14,604
Other	3,114	5,234
	<b>211,410</b>	<b>216,448</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****17. INTANGIBLE ASSETS**

<i>In millions of tenge</i>	Licenses	Subsoil use rights (under production)	Goodwill	Marketing related intangible assets	Software	Other	Total
<b>Net book value as at December 31, 2023</b>	483,309	198,376	110,258	26,809	17,266	47,265	883,283
Foreign currency translation	71,153	29,423	1,846	4,161	882	2,243	109,708
Additions	1,100	151	-	-	3,619	3,752	8,622
Disposals	(319)	-	-	-	(1,736)	(219)	(2,274)
Amortization charge	(32,175)	(10,115)	-	-	(5,472)	(1,539)	(49,301)
Accumulated amortization and impairment on disposals	319	-	-	-	1,720	56	2,095
Other changes	1,002	-	-	-	1,320	(2,322)	-
Transfers	-	387	-	-	83	(9,447)	(8,977)
<b>Net book value as at December 31, 2024</b>	524,389	218,222	112,104	30,970	17,682	39,789	943,156
Foreign currency translation	(18,386)	(7,776)	(512)	(1,155)	(209)	(621)	(28,659)
Change in estimate	-	(94)	-	-	-	-	(94)
Additions	512	4,682	-	-	1,710	7,573	14,477
Disposals	-	(28)	-	-	(19)	(3,704)	(3,751)
Amortization charge	(37,936)	(10,392)	-	-	(5,386)	(1,597)	(55,311)
Impairment	-	-	-	-	-	(120)	(120)
Other changes	2	138	-	-	151	11,431	11,722
Transfers	1,076	419	-	-	1,116	(2,611)	-
<b>Net book value as at December 31, 2025</b>	469,657	205,171	111,592	29,815	15,045	50,140	881,420
At cost	766,346	299,592	220,337	76,533	92,969	124,073	1,579,850
Accumulated amortization and impairment	(296,689)	(94,421)	(108,745)	(46,718)	(77,924)	(73,933)	(698,430)
<b>Net book value as at December 31, 2025</b>	469,657	205,171	111,592	29,815	15,045	50,140	881,420
At cost	795,467	306,196	220,849	79,497	94,036	114,224	1,610,269
Accumulated amortization and impairment	(271,078)	(87,974)	(108,745)	(48,527)	(76,354)	(74,435)	(667,113)
<b>Net book value as at December 31, 2024</b>	524,389	218,222	112,104	30,970	17,682	39,789	943,156

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****17. INTANGIBLE ASSETS (continued)**

As at December 31, 2025 and 2024, marketing related intangible assets were represented by trademarks of KMG.

Carrying amount of goodwill is allocated to each of the group of cash-generating units as follows:

<b>Cash-generating unit</b>	<b>December 31, 2025</b>	December 31, 2024
Pavlodar refinery CGU	88,553	88,553
CGUs of KMG	13,225	13,737
CGU Dunga	9,814	9,814
<b>Total goodwill</b>	<b>111,592</b>	112,104

In 2025 and 2024, based on the impairment test results, no impairment of Pavlodar refinery, KMG or Dunga goodwill was recognized. For the detailed discussion of Pavlodar refinery goodwill impairment test refer to *Note 4*.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. RIGHT-OF-USE ASSETS

<i>In millions of tenge</i>	Oil and gas assets	Refinery assets	Buildings and improvements	Machinery and equipment	Vehicles	Other	Total
<b>Net book value as at December 31, 2023</b>	10,795	5,889	16,168	604	6,587	61,722	101,765
Foreign currency translation	1,509	816	2,010	66	28	10,381	14,810
Change in estimate	-	88	1,135	1,866	(382)	4,679	7,386
Additions	3,343	-	2,060	2,281	3,517	12,589	23,790
Disposals	(6,662)	(18)	(2,215)	(582)	(925)	(5,165)	(15,567)
Depreciation charge	(6,714)	(371)	(3,311)	(3,172)	(2,063)	(6,101)	(21,732)
Accumulated depreciation and impairment on disposals	5,880	18	644	379	525	5,093	12,539
<b>Net book value as at December 31, 2024</b>	<b>8,151</b>	<b>6,422</b>	<b>16,491</b>	<b>1,442</b>	<b>7,287</b>	<b>83,198</b>	<b>122,991</b>
Foreign currency translation	(223)	(243)	(648)	(69)	(40)	(2,863)	(4,086)
Change in estimate	(325)	982	5,508	3,005	277	793	10,240
Additions	2,681	48	2,034	2,464	5,156	498	12,881
Disposals, net	1	-	(2,260)	-	(81)	(39)	(2,379)
Depreciation charge	(6,549)	(400)	(2,966)	(3,781)	(2,334)	(6,406)	(22,436)
Other changes	-	-	-	(8)	-	(120)	(128)
Other transfers	-	-	-	-	49	(49)	-
<b>Net book value as at December 31, 2025</b>	<b>3,736</b>	<b>6,809</b>	<b>18,159</b>	<b>3,053</b>	<b>10,314</b>	<b>75,012</b>	<b>117,083</b>
At cost	20,844	8,941	34,042	22,545	11,544	101,156	199,072
Accumulated depreciation and impairment	(12,693)	(2,519)	(17,551)	(21,103)	(4,257)	(17,958)	(76,081)
<b>Net book value as at December 31, 2024</b>	<b>8,151</b>	<b>6,422</b>	<b>16,491</b>	<b>1,442</b>	<b>7,287</b>	<b>83,198</b>	<b>122,991</b>
At cost	3,900	9,442	37,396	26,948	16,704	98,367	192,757
Accumulated depreciation and impairment	(164)	(2,633)	(19,237)	(23,895)	(6,390)	(23,355)	(75,674)
<b>Net book value as at December 31, 2025</b>	<b>3,736</b>	<b>6,809</b>	<b>18,159</b>	<b>3,053</b>	<b>10,314</b>	<b>75,012</b>	<b>117,083</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 19. BANK DEPOSITS

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Denominated in US dollar	<b>1,943,314</b>	1,582,708
Denominated in tenge	<b>5,624</b>	5,662
Denominated in other currencies	<b>54</b>	-
Less: allowance for expected credit losses	<b>(257)</b>	(225)
	<b>1,948,735</b>	1,588,145

As at December 31, 2025, the weighted average interest rate for long-term bank deposits was 3.50% in US dollars and 7.75% in tenge (December 31, 2024: 3.54% in US dollars and 6.85% in tenge).

As at December 31, 2025, the weighted average interest rate for short-term bank deposits was 4.40% in US dollars and 4.51% in tenge (December 31, 2024: 4.88% in US dollars and 0.49% in tenge).

The original terms of placement of bank deposits are presented below:

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Maturities under 1 year	<b>1,875,464</b>	1,513,816
Maturities between 1 and 2 years	<b>1,793</b>	1,977
Maturities over 2 years	<b>71,478</b>	72,352
	<b>1,948,735</b>	1,588,145

As at December 31, 2025 bank deposits include those pledged as collateral with carrying value of 73.271 million tenge (December 31, 2024: 74,329 million tenge), which are represented mainly by 70.476 million tenge at restricted bank accounts designated as a liquidation fund per requirements of subsoil use contracts (December 31, 2024: 71,273 million tenge).

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

In millions of tenge	Main activity	Place of business	December 31, 2025		December 31, 2024	
			Carrying value	Percentage ownership	Carrying value	Percentage ownership
<b>Joint ventures</b>						
Tengizchevroil LLP (TCO) <sup>1</sup>	Oil and gas exploration and production	Kazakhstan	3,449,897	20.00%	3,987,223	20.00%
Mangistau Investments B.V. Group (MMG)	Oil and gas development and production	Kazakhstan	227,787	50.00%	196,938	50.00%
Silleno LLP (Silleno) <sup>2</sup>	Construction of the first integrated gas-chemical complex	Kazakhstan	108,049	40.00%	65,079	40.00%
KALAMKAS-KHAZAR OPERATING LLP (KKO)	Oil and gas development and production	Kazakhstan	84,370	50.00%	88,018	50.00%
Kazakhstan-China Pipeline LLP (KCP)	Oil transportation	Kazakhstan	67,741	50.00%	66,202	50.00%
Ural Group Limited (UGL)	Oil and gas exploration and production	Kazakhstan	58,042	50.00%	67,860	50.00%
Valsera Holdings B.V. Group (PKOP)	Oil refining	Kazakhstan	53,725	50.00%	37,688	50.00%
KC Energy Group (KCEG) <sup>2</sup>	Sale of liquefied gas and oil products	Kazakhstan	51,705	49.00%	27,749	49.00%
	Processing and sale of natural gas and refined gas products	Kazakhstan	48,347	50.00%	66,539	50.00%
KazRosGas LLP (KRG)	Oil and gas exploration and production	Kazakhstan	31,431	50.00%	44,264	50.00%
KazGerMunay LLP (KGM)	Production and sale of crude oil	Kazakhstan	22,896	50.00%	24,028	50.00%
KazakhOil-Aktobe LLP (KOA)	Sale of liquefied gas and oil products	Kazakhstan	9,507	49.00%	8,978	49.00%
PETROSUN LLP (Petrosun)	Oil and gas development and production	Kazakhstan	8,284	50.00%	8,907	50.00%
Karaton Operating Ltd. (Karaton)	Design, construction and operation of infrastructure facilities, offshore oil operations support	Kazakhstan	3,727	48.996%	6,468	48.996%
Teniz Service LLP (Teniz Service)			84,426		57,916	
<b>Other</b>						
<b>Associates</b>						
Caspian Pipeline Consortium (CPC)	Transportation of liquid hydrocarbons	Kazakhstan / Russia	493,443	20.75%	484,247	20.75%
PetroKazakhstan Inc. (PKI)	Exploration, production and processing of hydrocarbons	Kazakhstan	68,172	33.00%	82,175	33.00%
Other			62,413		58,234	
			<b>4,933,962</b>		<b>5,378,513</b>	

<sup>1</sup>The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.

<sup>2</sup>KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. The activities of PETROSUN LLP transferred to KC Energy Group LLP. PETROSUN LLP is on the process of liquidation. The share of 49% provides the Group the joint control over KC Energy Group LLP where decisions about the relevant activities require unanimous consent.

<sup>3</sup>The share of 40% provides the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

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

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

As at December 31, 2025, the Group's share in unrecognized losses of joint ventures and associates was equal to 149,388 million tenge (December 31, 2024: 112,808 million tenge).

The following table summarizes the movements in the investments in 2025 and 2024:

In millions of tenge	2025	2024
<b>On January 1</b>	<b>5,378,513</b>	<b>4,821,427</b>
Share in profits of joint ventures and associates, net (Notes 7)	780,635	531,230
Recognition of investment in joint ventures (Note 5)	792	8,255
Disposal of share in joint venture without losing joint control	-	(6,393)
Dividends received	(985,262)	(701,104)
Change in dividends receivable, including withholding tax	(134,415)	(58,263)
Other changes in the equity of the joint venture	23,356	57,997
Additional contributions without change in ownership	43,099	74,209
Impairment	(223)	-
Eliminations and adjustments*	(423)	(322)
Foreign currency translation	(172,110)	651,477
<b>On December 31</b>	<b>4,933,962</b>	<b>5,378,513</b>

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

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2025:

In millions of tenge	TCO	MMG	Silleno	KKO	KCP	UGL	PKOP
Non-current assets, including fair value adjustment	22,745,433	502,915	655,397	245,274	113,323	206,629	383,750
Current assets, including cash and cash equivalents	3,148,034	241,152	31,075	423	59,902	34,248	74,079
Non-current liabilities, including non-current financial liabilities	(5,748,888)	(175,149)	(407,891)	(68,351)	(22,831)	(68,033)	(185,567)
Current liabilities, including current financial liabilities	(2,895,094)	(138,054)	(13,286)	(8,606)	(14,912)	(16,759)	(112,706)
<b>Equity</b>	<b>17,249,485</b>	<b>430,864</b>	<b>265,295</b>	<b>168,740</b>	<b>135,482</b>	<b>156,085</b>	<b>159,556</b>
Share of ownership	20%	50%	40%	50%	50%	50%	50%
Impairment of the investment	-	-	-	-	-	(20,000)	-
Equity method adjustments	-	12,355	1,931	-	-	-	-
Adjustment for capitalised expenses on borrowings	-	-	-	-	-	-	(26,053)
<b>Carrying amount of the investments as at December 31, 2025</b>	<b>3,449,897</b>	<b>227,787</b>	<b>108,049</b>	<b>84,370</b>	<b>67,741</b>	<b>58,042</b>	<b>53,725</b>
Revenue	10,799,781	852,320	-	-	76,217	3,431	284,489
Depreciation, depletion and amortization	(3,564,404)	(73,373)	88	(64)	(10,306)	(11)	(47,714)
Finance income	117,644	2,922	1	5,076	6,410	-	2,143
Finance costs	(385,389)	(16,536)	-	(4,357)	-	(625)	(24,123)
Income tax expenses	(883,840)	(33,748)	(2)	(637)	(8,314)	2,481	(12,802)
<b>Profit/(loss) for the year from continuing operations</b>	<b>2,062,294</b>	<b>102,619</b>	<b>8,770</b>	<b>(7,296)</b>	<b>33,079</b>	<b>(10,425)</b>	<b>41,979</b>
Other comprehensive loss	(706,681)	(1,302)	-	-	(1)	(9,211)	-
<b>Total comprehensive income/(loss)</b>	<b>1,355,613</b>	<b>101,317</b>	<b>8,770</b>	<b>(7,296)</b>	<b>33,078</b>	<b>(19,636)</b>	<b>41,979</b>
Dividends received	683,683	19,810	-	-	15,000	-	4,952

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2025:

<i>In millions of tenge</i>	KCEG	KRG	KGM	KOA	Petrosun	Karaton	Teniz Service	KPI
Non-current assets	160	19,590	81,264	37,666	–	25,016	4,370	937,353
Current assets, including	207,308	94,183	16,744	32,294	19,403	8,097	4,039	102,779
Cash and cash equivalents	88,165	47,507	4,322	21,059	14,240	5,692	2,359	57,592
Non-current liabilities	–	(516)	(15,083)	(17,084)	–	(28,725)	(523)	(1,157,267)
Current liabilities	(101,084)	(16,563)	(20,063)	(7,084)	(1)	(2,261)	(279)	(166,716)
<b>Equity</b>	<b>106,384</b>	<b>96,694</b>	<b>62,862</b>	<b>45,792</b>	<b>19,402</b>	<b>2,127</b>	<b>7,607</b>	<b>(283,851)</b>
Share of ownership	49%	50%	50%	50%	49%	50%	48.996%	49.5%
Accumulated unrealized losses	–	–	–	–	–	–	–	(140,506)
Equity method adjustments	(423)	–	–	–	–	7,221	–	–
<b>Carrying amount of the investments as at December 31, 2025</b>	<b>51,705</b>	<b>48,347</b>	<b>31,431</b>	<b>22,896</b>	<b>9,507</b>	<b>8,284</b>	<b>3,727</b>	<b>–</b>
Revenue	1,614,120	227,543	129,620	72,734	–	–	1,072	145,344
Depreciation, depletion and amortization	(40)	(346)	(32,397)	(3,856)	–	–	(310)	(66,204)
Finance income	12,069	6,620	940	1,766	1,748	29	292	168
Finance costs	(1,100)	–	(1,352)	(3,188)	(134)	(1,235)	(71)	(78,890)
Income tax expenses	(32,984)	(4,729)	(19,073)	(1,614)	(338)	–	(15)	–
<b>Profit/(loss) for the year from continuing operations</b>	<b>131,754</b>	<b>6,040</b>	<b>34,278</b>	<b>6,735</b>	<b>1,079</b>	<b>(1,245)</b>	<b>(2,593)</b>	<b>(72,230)</b>
Other comprehensive loss	–	(4,109)	(3,440)	–	–	–	–	–
<b>Total comprehensive income/(loss)</b>	<b>131,754</b>	<b>1,931</b>	<b>30,838</b>	<b>6,735</b>	<b>1,079</b>	<b>(1,245)</b>	<b>(2,593)</b>	<b>(72,230)</b>
Dividends received	40,180	19,157	28,762	4,500	–	–	1,470	–

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

<i>In millions of tenge</i>	TCO	MMG	Silleno	KKO	KCP	UGL	PKOP
Non-current assets, including fair value adjustment	26,176,361	453,936	132,833	218,477	119,017	242,666	414,933
Current assets, including	2,664,463	237,009	1,918	6,307	49,543	23,706	111,847
Cash and cash equivalents	1,142,568	84,851	1,884	6,301	39,103	15,317	48,361
Non-current liabilities, including	(7,086,258)	(140,577)	–	(43,328)	(22,936)	(47,481)	(278,761)
Non-current financial liabilities	(3,675,770)	–	–	–	–	(24,832)	(226,189)
Current liabilities, including	(1,818,449)	(159,532)	(5,623)	(5,819)	(13,220)	(19,923)	(120,536)
Current financial liabilities	(1,050,220)	–	–	–	–	–	(71,775)
<b>Equity</b>	<b>19,936,117</b>	<b>390,836</b>	<b>129,128</b>	<b>175,638</b>	<b>132,404</b>	<b>198,968</b>	<b>127,483</b>
Share of ownership	20%	50%	40%	50%	50%	50%	50%
Impairment of the investment	–	–	–	–	–	(20,000)	–
Equity method adjustments	–	1,520	13,428	–	–	(11,624)	–
Adjustment for capitalised expenses on borrowings	–	–	–	–	–	–	(26,053)
Accumulated unrealized losses	–	–	–	199	–	–	–
<b>Carrying amount of the investments as at December 31, 2024</b>	<b>3,987,223</b>	<b>196,938</b>	<b>65,079</b>	<b>88,018</b>	<b>66,202</b>	<b>67,860</b>	<b>37,688</b>
Revenue	8,358,505	871,754	–	–	87,939	26,561	256,007
Depreciation, depletion and amortization	(2,615,840)	(94,355)	(31)	–	(10,267)	(6)	(33,021)
Finance income	116,985	1,800	800	139	2,688	–	1,968
Finance costs	(240,018)	(17,802)	(80)	(1,495)	(333)	(586)	(29,742)
Income tax expenses	(669,126)	(38,238)	–	–	(10,519)	9,581	(7,484)
<b>Profit/(loss) for the year from continuing operations</b>	<b>1,517,402</b>	<b>71,452</b>	<b>(2,138)</b>	<b>(10,479)</b>	<b>41,688</b>	<b>(17,923)</b>	<b>(353)</b>
Other comprehensive income/(loss)	2,693,108	4,365	–	–	(1)	33,036	(86)
<b>Total comprehensive income/(loss)</b>	<b>4,210,510</b>	<b>75,817</b>	<b>(2,138)</b>	<b>(10,479)</b>	<b>41,687</b>	<b>15,113</b>	<b>(439)</b>
Dividends received	389,991	44,584	–	–	8,000	–	3,285

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material joint ventures, based on financial statements of these entities for 2024:

<i>In millions of tenge</i>	KCEG	KRG	KGM	KOA	Petrosun	Karaton	Teniz Service		KPI
Non-current assets	133	19,368	83,427	30,963	–	6,272	6,332	988,585	
Current assets, including	176,367	127,977	57,674	42,928	20,485	4,560	8,602	77,935	
<i>Cash and cash equivalents</i>	42,673	75,084	45,346	33,661	18,020	295	7,270	50,580	
Non-current liabilities, including	–	(403)	(18,375)	(16,468)	–	(8,130)	(736)	(1,092,836)	
<i>Non-current financial liabilities</i>	–	–	–	–	–	–	–	–	
Current liabilities, including	(119,870)	(13,864)	(34,198)	(9,366)	(2,162)	(1,399)	(998)	(197,214)	
<i>Current financial liabilities</i>	–	–	–	–	–	–	–	–	
<b>Equity</b>	56,630	133,078	88,528	48,057	18,323	1,303	13,200	(223,530)	
Share of ownership	49%	50%	50%	50%	49%	50%	48.996%	49.5%	
Accumulated unrealized losses	–	–	–	–	–	–	–	(110,647)	
Equity method adjustments	–	–	–	–	–	8,255	–	–	
<b>Carrying amount of the investments as at December 31, 2024</b>	27,749	66,539	44,264	24,028	8,978	8,907	6,468	–	
Revenue	791,620	255,369	148,440	77,345	707,668	–	2,077	26,241	
<i>Depreciation, depletion and amortization</i>	–	(312)	(23,042)	(8,196)	(17)	–	(438)	(4,407)	
Finance income	2,374	6,602	1,066	5,528	3,179	1,704	849	188	
Finance costs	(1,170)	–	(1,096)	(2,344)	(2,622)	(383)	(68)	(63,802)	
Income tax expenses	(13,918)	(14,569)	(25,528)	(2,814)	(13,687)	–	–	–	
<b>Profit/(loss) for the year from continuing operations</b>	55,690	38,314	50,672	11,973	53,547	1,304	(3,556)	(225,649)	
Other comprehensive income/(loss)	–	20,455	9,658	–	–	–	–	–	
<b>Total comprehensive income/(loss)</b>	55,690	58,769	60,330	11,973	53,547	1,304	(3,556)	(225,649)	
Dividends received	–	53,276	23,389	–	49,000	–	–	–	

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2025:

<i>In millions of tenge</i>	December 31, 2025	
	CPC	PKI
Non-current assets	2,256,422	150,114
Current assets	318,864	122,579
Non-current liabilities	(147,943)	(12,124)
Current liabilities	(283,198)	(33,450)
<b>Equity</b>	2,144,145	227,119
Share of ownership	20.75%	33%
Goodwill	48,533	–
Impairment of the investment	–	(6,778)
<b>Carrying amount of the investment</b>	493,443	68,172
Revenue	1,339,068	112,326
<i>Depreciation, depletion and amortization</i>	(205,134)	(18,270)
Finance income	14,284	4,455
Finance costs	(1,190)	(1,755)
Income tax expenses	(215,787)	(17,111)
<b>Profit for the year</b>	881,670	8,121
Other comprehensive loss	(98,998)	(2,761)
<b>Total comprehensive income</b>	782,672	5,360
Dividends received	143,847	15,015

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate summarized financial information of material associates, based on their financial statements for 2024:

<i>In millions of tenge</i>	December 31, 2024	
	CPC	PKI
Non-current assets	2,109,714	174,833
Current assets	288,618	139,072
Non-current liabilities	(8,147)	(16,382)
Current liabilities	(299,418)	(27,971)
<b>Equity</b>	2,090,767	269,552
Share of ownership	20.75%	33%
Goodwill	50,413	–
Impairment of the investment	–	(6,778)
<b>Carrying amount of the investment</b>	484,247	82,175
Revenue	1,063,100	132,943
<i>Depreciation, depletion and amortization</i>	(221,309)	(25,378)
Finance income	15,676	2,011
Finance costs	(1,558)	(1,269)
Income tax expenses	(95,835)	(9,368)
<b>Profit for the year</b>	392,890	6,828
Other comprehensive income	334,726	20,354
<b>Total comprehensive income</b>	727,616	27,182
Dividends received	105,910	17,920
The following tables illustrate aggregate financial information of individually immaterial joint ventures (the Group's proportional share):		
<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
<b>Group share in:</b>		
Non-current assets	83,234	70,182
Current assets	35,488	30,806
Non-current liabilities	(18,409)	(27,553)
Current liabilities	(26,329)	(17,652)
Goodwill	172	172
Accumulated unrecognized share of losses	9,916	1,961
Equity method adjustments	354	–
<b>Carrying amount of the investments</b>	84,426	57,916
(Loss)/profit for the year from continuing operations	(757)	2,497
Other comprehensive income/(loss)	902	(118)
<b>Total comprehensive income</b>	145	2,379
Unrecognized share of loss	(7,540)	(761)

## JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)**

The following tables illustrate aggregate financial information of individually immaterial associates (the Group's proportional share):

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
<b>Group share in:</b>		
Non-current assets	69,984	65,590
Current assets	90,759	85,423
Non-current liabilities	(19,925)	(12,685)
Current liabilities	(78,405)	(80,094)
<b>Carrying amount of the investments</b>	<b>62,413</b>	<b>58,234</b>
Profit for the year from continuing operations	6,415	1,672
Other comprehensive (loss)/income	(1,146)	3,066
<b>Total comprehensive income</b>	<b>5,269</b>	<b>4,738</b>

**21. INVENTORIES**

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Materials and supplies (at cost)	240,699	266,669
Crude oil (at cost)	115,247	97,243
Refined products (at lower of cost and net realizable value)	55,316	92,212
Less: impairment allowance	(36,527)	(42,383)
	<b>374,735</b>	<b>413,741</b>

As at December 31, 2025 carrying value of inventories under pledge as collateral amounted to 189,660 million tenge (December 31, 2024: 225,073 million tenge).

Movements in the allowance for impairment of inventories were as follows:

<i>In millions of tenge</i>	
<b>As at December 31, 2023</b>	(36,947)
Charged, net	(942)
Written-off	285
Foreign currency translation	(4,779)
<b>As at December 31, 2024</b>	<b>(42,383)</b>
Charged, net	3,781
Written off	518
Foreign currency translation	1,557
<b>As at December 31, 2025</b>	<b>(36,527)</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS**

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
<b>Trade accounts receivable</b>		
Trade accounts receivable	632,365	472,143
Less: allowance for expected credit losses	(35,254)	(29,086)
	<b>597,111</b>	<b>443,057</b>
<b>Other current financial assets</b>		
Other receivables	114,069	117,313
Dividends receivable	3,512	7,997
Less: allowance for expected credit losses	(45,952)	(61,782)
	<b>71,629</b>	<b>63,528</b>
<b>Other current non-financial assets</b>		
Advances paid and prepaid expenses	128,761	137,553
Taxes receivable, other than VAT	54,391	37,414
Other	11,400	6,643
Less: impairment allowance	(160)	(856)
	<b>194,392</b>	<b>180,754</b>
<b>Total other current assets</b>	<b>266,021</b>	<b>244,282</b>

As at December 31, 2025 and 2024, the above assets were non-interest bearing.

As at December 31, 2025, trade accounts receivable with a carrying value of 174,372 million tenge are pledged as collateral (December 31, 2024: 181,246 million tenge).

As of December 31, 2025 and 2024, trade accounts receivable is denominated in the following currencies:

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
US dollars	262,642	280,970
Tenge	244,424	94,420
Romanian Leu	80,780	63,296
Euro	8,362	2,770
Other currency	903	1,601
	<b>597,111</b>	<b>443,057</b>

Movements in the allowance for expected credit losses and impairment were as follows:

<i>In millions of tenge</i>	Trade accounts receivable	Other current financial assets	Other current non-financial assets
<b>As at December 31, 2023</b>	32,190	43,853	3,359
Charged, net	(4,119)	12,253	(2,545)
Written-off	(1,175)	-	-
Foreign currency translation	2,190	5,676	42
<b>As at December 31, 2024</b>	<b>29,086</b>	<b>61,782</b>	<b>856</b>
Charged, net	6,187	(13,642)	(149)
Written-off	210	(961)	(678)
Foreign currency translation	(229)	(1,227)	131
<b>As at December 31, 2025</b>	<b>35,254</b>	<b>45,952</b>	<b>160</b>

## JSC NC “KazMunayGas”

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****22. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT FINANCIAL AND NON-FINANCIAL ASSETS (continued)**

Set out below is the information about credit risk exposure on the Group’s trade receivables using a provision matrix:

In millions of tenge	Days past due					Total
	Current	<30 days	30-60 days	61-90 days	>91 days	
<b>December 31, 2025</b>						
Expected credit loss rate	0.22%	0.09%	1.20%	2.87%	44.20%	-
Trade accounts receivable	423,006	81,548	34,488	17,890	75,433	632,3
Expected credit losses	(910)	(74)	(413)	(513)	(33,344)	(35,25)
<b>December 31, 2024</b>						
Expected credit loss rate	0.38%	0.96%	5.72%	3.64%	79.41%	
Trade accounts receivable	405,631	21,091	3,347	8,240	33,834	472,1
Expected credit losses	(1,524)	(202)	(191)	(300)	(26,869)	(29,05)

**23. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES**

In millions of tenge	December 31, 2025	December 31, 2024
<b>At amortized cost</b>		
NB RK notes (Note 32)	37,378	38,329
Loans due from related parties (Note 32)	38,024	35,074
Bonds receivable from Samruk-Kazyna (Note 32)	24,160	32,539
Other	8,386	6,933
Less: allowance for expected credit losses	(772)	(705)
	107,176	112,170
<b>At fair value through profit or loss</b>		
Loans due from related parties (Note 32)	148,366	82,945
Guaranteed returns from shareholder of joint venture	11,289	10,798
	159,655	93,743
<b>Total loans and receivables due from related parties</b>	<b>266,831</b>	<b>205,913</b>

Loans and receivables due from related parties are denominated in the following currencies:

In millions of tenge	December 31, 2025	December 31, 2024
US dollars	168,014	100,657
Tenge	98,817	105,256
	266,831	205,913

In millions of tenge	December 31, 2025	December 31, 2024
Current portion	59,584	84,240
Non-current portion	207,247	121,673
	266,831	205,913

Movements in the allowance for expected credit losses of loans and receivables due from related parties were as follows:

In millions of tenge	December 31, 2025	December 31, 2024
<b>As at December 31, 2023</b>		1,863
Charged, net		(73)
Written off		(1,086)
Foreign currency translation		1
<b>As at December 31, 2024</b>		705
Charged, net		115
Written off		(47)
Foreign currency translation		(1)
<b>As at December 31, 2025</b>		772

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Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****23. LOANS AND RECEIVABLES DUE FROM RELATED PARTIES (continued)**

As at December 31, 2025 and 2024, for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). Since initial recognition of the loans and receivables due from related parties there have been no significant increases in credit risk.

**24. CASH AND CASH EQUIVALENTS**

In millions of tenge	December 31, 2025	December 31, 2024
Term deposits with banks – US dollar	811,660	848,432
Term deposits with banks – tenge	152,321	172,922
Term deposits with banks – other currencies	54,910	60,346
Current accounts with banks – US dollar	105,433	78,600
Current accounts with banks – tenge	4,486	7,786
Current accounts with banks – other currencies	31,515	17,689
The contracts of reverse repo with original maturities of three months or less	32,804	26,395
Cash in transit	3,381	1,864
Cash-on-hand and cheques	1,756	2,487
Less: allowance for expected credit losses	(81)	(70)
	1,198,185	1,216,451

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

As at December 31, 2025, the weighted average interest rate for time deposits with banks was 3.89% in US dollars, 17.37% in tenge and 6.06% in other currencies (December 31, 2024: 4.22% in US dollars, 14.53% in tenge and 5.18% in other currencies).

As at December 31, 2025 and 2024, cash and cash equivalents were not pledged as collateral for obligations of the Group.

**25. EQUITY****Share capital**

Total number of outstanding, issued and paid shares comprises:

In millions of tenge	December 31, 2025 and 2024
<b>Number of shares issued and paid, including</b>	<b>610,119,493</b>
Par value of 27,726.63 tenge	137,900
Par value of 10,000 tenge	20,719,604
Par value of 5,000 tenge	59,707,029
Par value of 2,500 tenge	71,104,187
Par value of 2,451 tenge	1
Par value of 1,000 tenge	1
Par value of 921 tenge	1
Par value of 858 tenge	1
Par value of 838 tenge	1
Par value of 704 tenge	1
Par value of 592 tenge	1
Par value of 500 tenge	458,450,766
<b>Share capital (thousands of tenge)</b>	<b>916,540,545</b>

As at December 31, 2025 and 2024, the Company had only one class of issued shares. As at December 31, 2025 and 2024, common shares in the number of 239,440,103 were authorized, but not issued. In 2025, there was no issuance of any ordinary share.

**Dividends**

In 2025, based on the decision of Shareholders, the Company declared and paid off dividends for 2024 of 491.71 tenge per common share in the total of 300,002 million tenge (2024: declared and paid-off dividends for 2023 of 491.71 tenge per common share in the total of 300,002 million tenge).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Dividends (continued)**

In 2025, the Group declared and paid-off dividends to the non-controlling interest holders of KTO and KMGI in the total amount of 3,635 million tenge and 3,572 million tenge, respectively (2024: 2,820 million tenge and 2,759 million tenge, respectively).

**Transactions with Samruk-Kazyna**

In 2025, the Company provided Samruk-Kazyna with a loan of 10,500 million tenge with a maturity date in 2035 and an interest rate of 0.10%. The difference between the fair value of the loan at the recognition date and its nominal value was recorded as Transactions with Samruk-Kazyna in the consolidated statement of changes in equity in the amount of 8,836 million tenge.

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%.

The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within finance income (*Note 14*) in these consolidated financial statements in the amount of 59,769 million tenge.

The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the interim condensed consolidated statement of changes in equity.

**Distributions to Samruk-Kazyna**

In 2025, in accordance with the Government decree on the construction of social objects in Zhana-ozen town and housing for the residents, living in Zhana-ozen town, the Group accrued liabilities and paid liabilities for 4,199 million tenge and 1,644 million tenge, respectively (2024: 16 million tenge and 2,059 million tenge, respectively).

**Other operations with Samruk-Kazyna**

In 2024, the Group increased the provision for liabilities related to the construction of the Sports Complex in Uralsk city, accrued in 2023, in accordance with the Order of the President of the RK, by 1,989 million tenge.

The facility was commissioned on 22 January, 2025. As of 31 December 2024, the Group offset the accrued construction liability against the carrying amount of the Sports Complex in the amount of 19,914 million tenge.

**Book value per share**

In accordance with the decision of KASE dated October 4, 2010, financial statements shall disclose book value per share (ordinary and preferred) as of the reporting date, calculated in accordance with the KASE rules.

<i>In millions of tenge</i>	<b>December 31, 2025</b>	December 31, 2024
Total assets	<b>18,848,445</b>	18,934,647
Less: intangible assets	<b>881,420</b>	943,156
Less: total liabilities	<b>6,462,120</b>	7,010,363
<b>Net assets</b>	<b>11,504,905</b>	10,981,128
Number of ordinary shares	<b>610,119,493</b>	610,119,493
<b>Book value per ordinary share (in thousand tenge)</b>	<b>18.857</b>	17.998

**Earnings per share**

<i>In thousand tenge</i>	<b>2025</b>	2024
Weighted average number of common shares for basic and diluted earnings per share	<b>610,119,493</b>	610,119,493
<b>Basic and diluted earnings per share</b>	<b>1.705</b>	1.794

JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests**

The following tables illustrate information of subsidiaries in which the Group has significant non-controlling interests:

	Country of incorporation and operation	December 31, 2025		December 31, 2024	
		Non-controlling shares	Carrying value	Non-controlling shares	Carrying value
Rompetrol Downstream S.R.L.	Romania	<b>45.37%</b>	<b>90,997</b>	45.37%	82,724
KTO	Kazakhstan	<b>10.00%</b>	<b>70,641</b>	10.00%	63,870
Rompetrol Petrochemicals S.R.L.	Romania	<b>45.37%</b>	<b>24,797</b>	45.37%	22,120
Rompetrol Vega	Romania	<b>45.37%</b>	<b>(35,097)</b>	45.37%	(29,521)
Rompetrol Rafinare S.A.	Romania	<b>45.37%</b>	<b>(289,265)</b>	45.37%	(310,421)
<b>Other</b>			<b>55,834</b>		61,440
			<b>(82,093)</b>		(109,788)

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2025 and for the year then ended:

<i>In millions of tenge</i>	Rompetrol Downstream S.R.L.	KTO	Rompetrol Petrochemicals S.R.L.	Rompetrol Vega	Rompetrol Refinare S.A.
<b>Summarized statement of financial position</b>					
Non-current assets	128,376	843,988	1,983	25,441	176,091
Current assets	308,810	188,081	53,341	14,458	88,049
Non-current liabilities	(76,754)	(180,645)	(476)	(46,679)	(206,780)
Current liabilities	(159,875)	(125,006)	(195)	(70,574)	(694,902)
<b>Total equity</b>	<b>200,557</b>	<b>726,418</b>	<b>54,653</b>	<b>(77,354)</b>	<b>(637,542)</b>
<b>Attributable to:</b>					
Equity holder of the Parent Company	109,560	655,777	29,856	(42,257)	(348,277)
Non-controlling interests	90,997	70,641	24,797	(35,097)	(289,265)
<b>Summarized statement of comprehensive income</b>					
Revenue from contracts with customers	1,033,467	357,478	-	115,398	2,007,243
<b>Profit/(loss) for the year from continuing operations</b>	<b>25,992</b>	<b>98,449</b>	<b>8,791</b>	<b>(15,082)</b>	<b>12,993</b>
<b>Total comprehensive income/(loss) for the year, net of tax</b>	<b>18,234</b>	<b>100,779</b>	<b>5,901</b>	<b>(12,290)</b>	<b>46,628</b>
<b>Attributable to:</b>					
Equity holder of the Parent Company	9,961	90,701	3,224	(6,714)	25,472
Non-controlling interests	8,273	10,078	2,677	(5,576)	21,156
Dividends declared to non-controlling interests	-	(3,307)	-	-	-
<b>Summarized cash flow information</b>					
Operating activity	81,236	109,840	6	4,650	178,407
Investing activity	(25,324)	(20,852)	-	(4,499)	(65,647)
Financing activity	(55,424)	(44,235)	-	(157)	(132,479)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>488</b>	<b>43,201</b>	<b>5</b>	<b>(7)</b>	<b>(19,719)</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****25. EQUITY (continued)****Non-controlling interests (continued)**

The following tables illustrate summarized financial information of subsidiaries on a stand-alone basis, in which the Group has significant non-controlling interests as at December 31, 2024 and for the year then ended:

<i>In millions of tenge</i>	Rompetrol Downstream S.R.L.	KTO	Rompetrol Petrochemicals S.R.L.	Rompetrol Vega	Rompetrol Refinare S.A.
<b>Summarized statement of financial position</b>					
Non-current assets	133,296	840,928	2,897	27,976	118,375
Current assets	234,461	139,023	46,503	17,223	56,753
Non-current liabilities	(71,025)	(204,199)	(500)	(47,700)	(176,147)
Current liabilities	(114,409)	(112,191)	(147)	(62,563)	(683,150)
<b>Total equity</b>	<b>182,323</b>	<b>663,561</b>	<b>48,753</b>	<b>(65,064)</b>	<b>(684,169)</b>
<b>Attributable to:</b>					
Equity holder of the Parent Company	99,599	599,691	26,633	(35,543)	(373,748)
Non-controlling interests	82,724	63,870	22,120	(29,521)	(310,421)
<b>Summarized statement of comprehensive income</b>					
Revenue from contracts with customers	889,308	311,900	-	87,742	1,522,309
<b>Profit/(loss) for the year from continuing operations</b>	<b>8,990</b>	<b>65,092</b>	<b>1,312</b>	<b>402</b>	<b>(31,651)</b>
<b>Total comprehensive income/(loss) for the year, net of tax</b>	<b>33,477</b>	<b>72,136</b>	<b>7,821</b>	<b>(9,257)</b>	<b>(125,792)</b>
<b>Attributable to:</b>					
Equity holder of the Parent Company	18,288	64,922	4,273	(5,057)	(68,718)
Non-controlling interests	15,189	7,214	3,548	(4,200)	(57,074)
Dividends declared to non-controlling interests	-	(2,500)	-	-	-
<b>Summarized cash flow information</b>					
Operating activity	7,648	90,771	-	22,895	495,168
Investing activity	(4,358)	(69,457)	-	(22,862)	(540,019)
Financing activity	(7,147)	(27,500)	-	(61)	16,742
<b>Net decrease in cash and cash equivalents</b>	<b>(3,858)</b>	<b>(4,029)</b>	<b>-</b>	<b>(28)</b>	<b>(28,109)</b>

## JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS**

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Fixed interest rate borrowings	3,062,408	3,396,818
Weighted average nominal interest rates	6.09%	6.25%
Floating interest rate borrowings	459,539	570,583
Weighted average nominal interest rates	7.02%	8.41%
	<b>3,521,947</b>	<b>3,967,401</b>

As at December 31, 2025 and 2024, borrowings are denominated in the following currencies:

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
US dollar	2,422,291	2,982,986
Tenge	802,117	937,610
Euro	198,232	35,601
Chinese Yuan	89,798	–
Other currencies	9,509	11,204
	<b>3,521,947</b>	<b>3,967,401</b>

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Current portion	278,423	323,290
Non-current portion	3,243,524	3,644,111
	<b>3,521,947</b>	<b>3,967,401</b>

As at December 31, 2025 and 2024, the bonds comprised:

<i>In millions of tenge</i>	Issuance amount	Redemption date	Effective Interest Rate	December 31, 2025	December 31, 2024
<b>Bonds</b>					
AIX and HKEX 2025	1.25 billion CNY	2030	2.95% 11.74%	89,798	–
KASE 2023	70 billion KZT	2033	(0.50% nominal interest rate) 12.105% (9.30% nominal interest rate)	43,411	45,873
KASE 2022	751.6 billion KZT	2035	3.50%	649,876	642,749
Bonds LSE 2020	750 million USD	2033	5.375%	381,578	396,299
Bonds LSE 2018	1.25 billion USD	2030	6.375%	629,635	653,507
Bonds LSE 2018	1.5 billion USD	2048	5.75%	625,316	778,795
Bonds LSE 2017	1.25 billion USD	2047	4.75%	493,105	639,143
Bonds LSE 2017	1 billion USD	2027		127,103	131,604
<b>Total</b>				<b>3,039,822</b>	<b>3,287,970</b>

In October 2025, the Company issued bonds denominated in Chinese yuan with a coupon rate of 2.95% and an interest rate of 3.15% as part of a new medium-term bond program totaling 10 billion Chinese yuan, registered on the Hong Kong Stock Exchange (HKEX) and the Astana International Exchange (AIX). The bonds have a maturity of 5 years and a nominal value of 1,250 million Chinese yuan (equivalent to 93,338 million tenge).

In December 2025, the Company partially redeemed its bonds listed on the London Stock Exchange (LSE) with maturities in 2047 and 2048 and a nominal value of 500 million US dollars (equivalent to 243,286 million tenge).

On March 20, 2024, the coupon rate of the bonds placed in 2022 by the Company and purchased by Samruk-Kazyna was increased from 3.00% to 9.30%. In accordance with IFRS 9 the increase in the nominal rate led to a significant modification of the financial instrument, namely the derecognition of bonds with a coupon rate of 3.00% and the recognition of bonds with a coupon rate of 9.30%. The difference between the carrying value and the fair value of the bond derecognized at the date of modification was recognized within other finance income (*Note 14*) in these consolidated financial statements in the amount of 59,769 million tenge. The negative difference of 293,288 million tenge between the fair value of the bond derecognized and the fair value of the newly recognized bond was presented as a transaction with Samruk-Kazyna in the consolidated statement of changes in equity (*Note 25*).

In 2024, the Company made an early partial redemption of bonds placed on the LFB with a maturity date of 2027 and a nominal value of 1 billion US dollars, in the amount of 750 million US dollars (equivalent to 358,171 million tenge).

## JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)**

As at December 31, 2025 and 2024, the borrowings comprised:

<i>In millions of tenge</i>	Issuance amount	Redemption date	Effective Interest Rate	December 31, 2025	December 31, 2024
<b>Loans</b>					
The Syndicate of banks (Unicredit Bank, ING Bank, BCR, Raiffeisen Bank, Garanti Bank, Banca Transilvania, Intesa Sanpaolo)	551.8 million USD <sup>1</sup>	2026	ROBOR 1M+2.05% SOFR 1M+2.05%	142,067	149,937
Bank of Tokyo-Mitsubishi UFJ, Ltd (London Branch)	300 million USD	2026	EURIBOR 1M+2.00%	54,682	91,405
Cargill	100 million USD	2026	COF <sup>2</sup> (3.76%) + 1.80%	50,792	52,732
The Syndicate of banks (BCR, Raiffeisen Bank, Banca Transilvania, UniCredit Bank, Garanti Bank)	83 million EUR	2029	SOFR 3M+2.80%	30,471	28,471
Halyk bank	41.4 billion KZT	2032	EURIBOR 6M + 3.00%	29,544	31,157
The European Bank for Reconstruction and Development (EBRD)	61 billion KZT	2028	Key Rate of National Bank of RK + 1.50%	26,332	37,730
The Eurasian Development Bank	21 billion KZT	2033	CPI 6M + 4.00%	24,982	22,107
Development bank of Kazakhstan JSC (DBK)	79 billion KZT	2028	Base rate of NBRK – 2.00%	22,587	43,892
Credit Agricole	150 million USD	2026	15.20%	22,118	–
			(7.99% nominal rate)		
Banca Transilvania	57.96 million EUR	2026	COF (3.86%) + 1.75%	19,913	17,975
ING Bank NV	250 million USD	2026	ROBOR 1M + 2.00%	19,760	7,714
Banca Transilvania	119 million RON	2030	SOFR1M + 2.00%	8,913	10,087
Halyk Bank	169 billion KZT	2032	EURIBOR 1M+2.00%	5,385	49,219
Halyk Bank	110 billion KZT	2025	COF (3.8%) + 2.00%	–	64,883
			ROBOR 3M + 1.10%		
			19.50%		
			11.00%		
Eni Isatay	–	After the start of commercial mining	CME TERM SOFR + 3.00%	–	24,761
BCP	170 million USD	2026	COF (4.09%) + 1.50%	–	21,181
Other	–	–	–	24,579	26,180
<b>Total</b>				<b>482,125</b>	<b>679,431</b>

<sup>1</sup> 275.9 million USD with revolving credit facility.<sup>2</sup> Cost of funding.

JSC “National Company “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)**

In 2025, Atyrau Refinery fully repaid a loan from Halyk Bank for a total amount of 64,883 million tenge, including interest.

In 2025, KMG I partially repaid a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 76.29 million US dollars (equivalent to 39,773 million tenge), including interest.

In 2025, KMG I received a Syndicated loan for a total amount of 279.49 million US dollars (equivalent to 145,702 million tenge) and made a partial repayment for a total amount of 311,099 million US dollars (equivalent to 162,179 million tenge), including interest.

In 2025, KMG I received a loan from Credit Agricole for a total amount of 43.75 million US dollars (equivalent to 22,808 million tenge) at a COF rate of (3.86%) + 1.75% and maturing by the end of 2026.

In 2025, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Abai project, the Company derecognized the loan received from Eni Isatay in the amount of 24,775 million tenge, including interest (Note 14).

In 2024, KMG I partially repaid a Syndicated loan for a total amount of 71.88 million US dollars (equivalent to 33,735 million tenge), including interest.

In 2024, KMG I received a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 35.91 million US dollars (equivalent to 16,854 million tenge) at a COF rate of (4.33%) + 1.50% and maturing by the end of 2025 to finance working capital.

In 2024, Atyrau Refinery and Pavlodar Refinery partially repaid the loan of DBK for a total amount of 46,688 million tenge, including interest.

In 2024, Atyrau Refinery received a loan from the EBRD for a total amount of 26,600 million tenge at a rate of CPI + 3.75% and maturing until 2028 to refinance the loan from Halyk Bank.

In 2024, Atyrau Refinery and KTO partially repaid a loan from Halyk Bank totaling 21,000 million tenge, including interest.

In 2024, KMG I repaid a loan from ING Bank in the total amount of 29.21 million US dollars (equivalent to 13,709 million tenge).

In 2024, Kazakh Gas Processing Plant LLP, subsidiary of the Company, received a loan from Halyk Bank for a total amount of 48,246 million tenge at a Base rate of National Bank of RK + 1.50% and maturing by the end of 2032 for the construction of Oil and Gas Refinery plant.

In 2024, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Zhenis project, the Company derecognized the loan received from Lukoil Kazakhstan Upstream (carry-financing) in the amount of 48,432 million tenge (Note 14).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)**

Changes in liabilities arising from financing activities:

In millions of tenge	2025				2024			
	Short-term loans	Long-term loans	Bonds	Total	Short-term loans	Long-term loans	Bonds	Total
<b>On January 1</b>	<b>151,541</b>	<b>527,890</b>	<b>3,287,970</b>	<b>3,967,401</b>	214,457	496,360	3,046,277	3,757,094
Received in cash	59,271	148,346	92,224	299,841	34,975	179,919	-	214,894
Repayment of principal in cash	(81,210)	(299,005)	(258,017)	(638,232)	(118,862)	(145,496)	(383,051)	(647,409)
Interest accrued (Note 14)	11,564	38,787	234,134	284,485	19,383	41,729	218,115	279,227
Interest paid*	(11,623)	(44,614)	(216,405)	(272,642)	(19,422)	(34,195)	(192,286)	(245,903)
Effect of loan modification	-	-	-	-	-	-	233,519	233,519
Foreign currency translation	(5,042)	(9,251)	-	(14,293)	21,907	32,849	-	54,756
Foreign exchange (gain)/loss used for hedge of a net investment	-	-	(92,338)	(92,338)	-	-	358,847	358,847
Foreign exchange loss/(gain)	1,877	9,022	(4,532)	6,367	(897)	2,245	6,549	7,897
Derecognition of loan (Note 14)	-	(24,775)	-	(24,775)	-	(48,442)	-	(48,442)
Other	-	9,345	(3,212)	6,133	-	2,921	-	2,921
<b>On December 31</b>	<b>126,378</b>	<b>355,745</b>	<b>3,039,824</b>	<b>3,521,947</b>	151,541	527,890	3,287,970	3,967,401
Current portion	126,378	105,405	46,640	278,423	151,541	122,729	49,020	323,290

JSC "National Company "KazMunayGas"

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

Non-current portion	-	250,340	2,993,184	3,243,524	-	405,161	3,238,950	3,644,111
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\* The repayment of the interest is classified in the consolidated statement of cash flows as operating cash flows.

**Covenants**

The Group is required to comply with financial and non-financial covenants under the terms of all credit documentation. Financial covenants require the Group to comply with certain metrics such as total net debt to EBITDA, minimum interest coverage and others. Under the terms of the credit documentation, failure to comply with covenants may result in the repayment of these long-term financings upon demand. As at December 31, 2025 and December 31, 2024, the Group complied with all financial and non-financial covenants. According to credit documentation the next remeasurement date for the covenants is 31 March 2026.

JSC NC "KazMunayGas"

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****26. BORROWINGS (continued)****Hedge of net investment in the foreign operations**

The LSE bonds issued by the Company in 2017-2020 and denominated in US dollars were identified as hedging instruments for net investments in the Group's foreign subsidiaries: TCO, KMG Kashagan BV and KMG Karachaganak. As of December 31, 2025, the nominal value of the bonds issued by the Company in 2017-2020 was USD 4,500 million (USD 5,000 million as of December 31, 2024). The maturity of the hedging instruments ranges from 2 to 23 years. In 2025, an exchange gain of 92,338 million tenge (2024: an exchange loss of 358,847 million tenge) was reclassified to other comprehensive income and offset against the currency translation differences of foreign operations, mentioned above.

**27. LEASE LIABILITIES**

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

<i>In millions of tenge</i>	Lease payments		Present value of minimum lease payments	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Within one year	22,05	26,47	16,67	20,88
Two to five years inclusive	61,22	56,14	35,80	29,30
After five years	100,36	102,32	76,48	74,02
	<b>183,65</b>	184,94	<b>128,97</b>	124,21
Less: amounts representing finance costs	(54,68)	(60,73)	-	-
<b>Present value of lease payments</b>	<b>128,97</b>	124,21	<b>128,97</b>	124,21
Less: amounts due for settlement within 12 months	(22,05)	(26,47)	(16,67)	(20,88)
<b>Amounts due for settlement after 12 months</b>	<b>161,59</b>	158,47	<b>112,29</b>	103,33

As at December 31, 2025, interest calculation was based on effective interest rates ranging from 2.95% to 19.00% (December 31, 2024: from 2.95% to 25.29%).

Changes in lease liabilities for the year ended December 31, 2025 and 2024:

<i>In millions of tenge</i>	2025	2024
<b>On January 1</b>	<b>124,216</b>	105,280
Additions of leases	12,882	23,790
Interest accrued (Note 14)	9,343	8,444
Repayment of principal	(29,520)	(26,118)
Interest paid	(1,157)	(1,279)
Foreign exchange loss/(gain)	9,550	(4,611)
Foreign currency translation	(4,432)	14,842
Modification	10,240	7,386
Early termination	(906)	(2,661)
Other	(1,244)	(857)
<b>On December 31</b>	<b>128,972</b>	124,216

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****28. PROVISIONS**

<i>In millions of tenge</i>	Asset retirement obligations	Provision for environmental obligation	Provision for taxes	Other	Total
<b>As at December 31, 2023</b>	208,705	77,061	6,974	47,055	339,795
Foreign currency translation	11,879	9,137	158	3,002	24,176
Change in estimate	(18,446)	(210)	-	(14)	(18,670)
Unwinding of discount (Note 14)	17,082	1,647	-	141	18,870
Provision for the year	4,225	-	61	6,601	10,887
Transfers and reclassifications to other financial liabilities	-	-	-	(4,742)	(4,742)
Unused amounts reversed	(788)	(2,377)	(4,305)	(131)	(7,601)
Use of provision	(1,465)	(6,139)	-	(27,458)	(35,062)
<b>As at December 31, 2024</b>	<b>221,192</b>	<b>79,119</b>	<b>2,888</b>	<b>24,454</b>	<b>327,653</b>
Foreign currency translation	(3,449)	(2,558)	(37)	(718)	(6,762)
Change in estimate	(43,516)	(25)	-	(23)	(43,564)
Unwinding of discount (Note 14)	20,097	1,204	-	139	21,440
Provision for the year	7,142	1,305	789	10,639	19,875
Reclassification from tax liabilities	-	-	2,243	-	2,243
Unused amounts reversed	(278)	(8,067)	(1,461)	(2,263)	(12,069)
Use of provision	(1,210)	(1,704)	(689)	(8,343)	(11,946)
<b>As at December 31, 2025</b>	<b>199,978</b>	<b>69,274</b>	<b>3,733</b>	<b>23,885</b>	<b>296,870</b>

Detailed description of significant provisions, including critical estimates and judgments used, is included in Note 4.

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

<i>In millions of tenge</i>	Asset retirement obligations	Provision for environmental obligation	Provision for taxes	Other	Total
Current portion	1,374	1	1,518	14,218	17,111
Long-term portion	198,604	69,273	2,215	9,667	279,759
<b>As at December 31, 2025</b>	<b>199,978</b>	<b>69,274</b>	<b>3,733</b>	<b>23,885</b>	<b>296,870</b>
Current portion	1,440	1,910	2,888	13,286	19,524
Long-term portion	219,752	77,209	-	11,168	308,129
<b>As at December 31, 2024</b>	<b>221,192</b>	<b>79,119</b>	<b>2,888</b>	<b>24,454</b>	<b>327,653</b>

**29. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES**

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
<b>Trade accounts payable</b>	<b>546,873</b>	<b>598,787</b>
<b>Other financial liabilities</b>		
Due to employees	86,922	78,950
Other trade payables	28,627	40,534
Derivative financial instruments	383	2,950
Other	64,833	53,812
	<b>180,765</b>	<b>176,246</b>
Current portion	179,684	169,150
Non-current portion	1,081	7,096
	<b>180,765</b>	<b>176,246</b>
<b>Other non-financial liabilities</b>		
Contract liabilities	202,973	227,046
Other	53,313	15,432
	<b>256,286</b>	<b>242,478</b>
Current portion	188,478	206,303
Non-current portion	67,808	36,175
	<b>256,286</b>	<b>242,478</b>

## JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****29. TRADE ACCOUNTS PAYABLE AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES (continued)**

Other financial liabilities include current financial liability arising from a put option liability to repurchase a stake in the share capital of the Kazakh-Romanian Energy Investment Fund on behalf of the Romanian Society for the Administration of Energy Participation in the amount of 15,085 million tenge (as at December 31, 2024: 14,774 million tenge).

Other non-financial liabilities include long term tax liabilities of KMGI payable until 2030 in accordance with the payment schedule approved by the Romanian tax authorities and reclassified from current tax liabilities in the amount of 36,585 million tenge (as of December 31, 2024: nil tenge).

During 2025, the Group met contractual obligations by providing services for the transportation of oil and sale of petroleum products, and recognized revenue from these contractual obligations in the amount of 155,425 million tenge (2024: 91,795 million tenge).

As of December 31, 2025, and 2024, trade accounts payable were denominated in the following currencies:

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
US dollars	298,867	389,492
Tenge	152,628	137,939
Romanian Leu	72,598	56,388
Euro	15,162	6,296
Other currency	7,618	8,672
<b>Total</b>	<b>546,873</b>	<b>598,787</b>

As at December 31, 2025 and 2024, trade accounts payable and other financial liabilities were non-interest bearing.

**30. OTHER TAXES PAYABLE**

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
VAT	70,969	28,394
Rent tax on crude oil export	33,808	15,071
Mineral Extraction Tax	19,732	15,782
Social tax	7,665	7,436
Turnover tax	6,766	4,847
Individual income tax	4,911	6,042
Withholding tax from non-residents	4,867	59
Excise tax	2,259	1,871
Other	3,856	4,129
	<b>154,833</b>	<b>83,631</b>

**31. INCOME TAX EXPENSES**

As at December 31, 2025, income taxes prepaid of 62,515 million tenge (as at December 31, 2024: 41,170 million tenge) are mainly represented by corporate income tax. As at December 31, 2025, income taxes payable of 22,688 million tenge (as at December 31, 2024: 15,600 million tenge) are mainly represented by corporate income tax.

Income tax expense comprised the following for the years ended December 31, 2025 and 2024:

<i>In millions of tenge</i>	2025	2024
<b>Current income tax</b>		
Corporate income tax	274,446	168,573
Withholding tax on dividends and interest income	135,739	81,138
Alternative mineral extraction tax	3,084	2,628
Excess profit tax	1,229	1,149
<b>Deferred income tax</b>		
Corporate income tax	(2,452)	131,419
Alternative mineral extraction tax	4,082	5,734
Withholding tax on dividends	(56,425)	(27,554)
<b>Income tax expenses</b>	<b>359,703</b>	<b>363,087</b>

## JSC NC “KazMunayGas”

Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

A reconciliation of income tax expenses applicable to profit before income tax at the statutory income tax rate (20% in 2025 and 2024) to income tax expenses was as follows for the years ended December 31:

<i>In millions of tenge</i>	2025	2024
Profit before income tax	1,431,757	1,457,334
Statutory tax rate	20%	20%
<b>Income tax expense on accounting profit</b>	<b>286,351</b>	<b>291,467</b>
Share in profit of joint ventures and associates	(94,258)	(60,724)
Other non-deductible expenses and non-taxable income	16,667	7,469
Effect of different corporate income tax rates	63,234	61,780
Alternative mineral extraction tax	7,166	8,362
Excess profit tax	1,229	1,149
Withholding tax on dividends and interest income	79,314	53,584
<b>Income tax expenses</b>	<b>359,703</b>	<b>363,087</b>

KMG Kashagan B.V. and KMG Karachaganak have a Production Sharing Agreement and a Final Production Sharing Agreement, respectively, that provide for a stabilized tax regime under the 1997 Tax Code, which must be applied throughout the entire abovementioned agreements period. The most significant tax impact of the stabilized tax regime is the application of a 30% corporate income tax rate to taxable profit.

Income tax rates for companies operating in jurisdictions such as the Netherlands, Romania and Switzerland range from 11.89% to 25.80%.

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Consolidated financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

Deferred tax balances, calculated by applying the statutory tax rates effective at the respective reporting dates to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the consolidated financial statements, are comprised of the following at December 31:

<i>In millions of tenge</i>	2025			2024			Total	Recognized in profit and loss
	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Corporate income tax	Alternative mineral extraction tax	Withholding tax		
<b>Deferred tax assets</b>								
Property, plant and equipment	33,545	-	-	33,545	9,651	23,894	23,894	875
Tax loss carryforward	439,960	-	-	439,960	(168,860)	608,820	608,820	(74,465)
Employee benefits related accruals	6,990	-	-	6,990	1,630	5,360	5,360	(2,268)
Impairment of financial assets	5	-	-	5	(9,356)	9,361	-	1,256
Environmental liability	1,918	-	-	1,918	(152)	2,070	-	(961)
Other	90,378	-	-	90,378	(24,037)	86,668	4,291	59,281
Less: unrecognized deferred tax assets	(410,018)	-	-	(410,018)	173,502	(583,520)	-	(32,179)
Less: deferred tax assets offset with deferred tax liabilities	(128,239)	-	-	(128,239)	(22,000)	(106,239)	-	117,074
<b>Deferred tax assets</b>	<b>34,539</b>	<b>-</b>	<b>-</b>	<b>34,539</b>	<b>(39,622)</b>	<b>46,414</b>	<b>4,291</b>	<b>68,613</b>
<b>Deferred tax liabilities</b>								
Property, plant and equipment	837,756	22	-	837,778	(20,572)	858,119	231	88,577
Undistributed earnings of joint ventures and associates	-	-	554,748	554,748	(56,425)	-	634,427	(27,554)
Other	9,749	-	-	9,749	4,580	5,298	-	115
Less: deferred tax assets offset with deferred tax liabilities	(128,239)	-	-	(128,239)	(22,000)	(106,239)	-	117,074
<b>Deferred tax liabilities</b>	<b>719,266</b>	<b>22</b>	<b>554,748</b>	<b>1,274,036</b>	<b>(94,417)</b>	<b>757,178</b>	<b>231</b>	<b>178,212</b>
<b>Net deferred tax liability</b>	<b>684,727</b>	<b>22</b>	<b>554,748</b>	<b>1,239,497</b>	<b>-</b>	<b>710,764</b>	<b>(4,060)</b>	<b>1,341,131</b>
<b>Deferred tax expense</b>					<b>(54,795)</b>			<b>109,599</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX EXPENSES (continued)**

Deferred corporate income tax and excess profit tax are determined with reference to individual subsoil use contracts. Deferred corporate income tax is also determined for activities outside of the scope of subsoil use contracts. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax asset arising mainly from tax losses carry forward amounted to 410,018 million tenge as at December 31, 2025 (as at December 31, 2024: 583,520 million tenge).

Tax losses carry forward as at December 31, 2025 and 2024, in the RK expire for tax purposes after ten years from the date they are incurred.

The movements in the deferred tax liability/(asset) were as follows:

In millions of tenge	2025				2024			
	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Total	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Total
<b>Net deferred tax liability as at January 1, net</b>	<b>710,764</b>	<b>(4,060)</b>	<b>634,427</b>	<b>1,341,131</b>	495,63	(9,794)	571,270	1,057,11
Foreign currency translation	(23,456)	–	(23,254)	(46,710)	83,73	–	90,711	174,44
Tax (income)/expense during the year recognized in profit and loss	(2,452)	4,082	(56,425)	(54,795)	131,41	5,734	(27,554)	109,59
Tax expense during the year recognized in other comprehensive income	(129)	–	–	(129)	(26)	–	–	(26)
<b>Net deferred tax liability as at December 31, net</b>	<b>684,727</b>	<b>22</b>	<b>554,748</b>	<b>1,239,497</b>	710,76	(4,060)	634,427	1,341,13

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. RELATED PARTY DISCLOSURES****Terms and conditions of transactions with related parties**

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include the key management personnel of the Group, as well as the entities in which the key management personnel of the Group directly or indirectly hold a significant equity interest.

Other entities controlled by the Government are also related parties of the Group. Transactions with these entities are not disclosed if they are carried out in the ordinary course of business in accordance with legal requirements and conditions consistently applied to all public and private companies.

Related party transactions were made on terms agreed between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties. Outstanding balances at the year-end are mainly unsecured and interest free and settlement occurs in cash, except as indicated below. The Group recognizes allowances for ECL on debt from related parties in accordance with the same principles and policies for ECL applied to determine ECL on debt owed to third parties.

**Transactions balances**

The following table provides the balances of transactions with related parties as at December 31, 2025 and 2024:

In millions of tenge	December 31,	Due from related parties*	Due to related parties*	Cash and deposits placed with related parties	Borrowings payable to related parties	Financial assets and loans due from related parties
Samruk-Kazyna	<b>2025</b>	<b>31,402</b>	–	–	<b>693,287</b>	<b>46,674</b>
	2024	28,451	–	–	688,622	54,317
Samruk-Kazyna entities	<b>2025</b>	<b>145,496</b>	<b>2,012</b>	<b>41,500</b>	–	<b>166</b>
	2024	29,336	2,716	56,849	–	172
Associates	<b>2025</b>	<b>10,404</b>	<b>3,980</b>	–	–	–
	2024	18,314	13,650	–	–	–
Other state-controlled parties	<b>2025</b>	<b>8,672</b>	<b>7,999</b>	–	<b>47,569</b>	<b>37,378</b>
	2024	2,611	3,407	–	65,999	38,329
Joint ventures	<b>2025</b>	<b>53,715</b>	<b>207,159</b>	–	–	<b>174,410</b>
	2024	32,014	177,411	–	–	106,338

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

**Due from/to related parties***Samruk-Kazyna and Samruk-Kazyna entities*

As at December 31, 2025, due from related parties are mainly represented by trade receivables arising from the sale of oil products to JSC "NC Kazakhstan Temir Zholy", subsidiary of Samruk-Kazyna amounting to 140,380 million tenge (December 31, 2024: 26,027 million tenge).

In 2024, the Company sold investment property to Samruk-Kazyna with a carrying value of 13,503 million tenge. According to the terms of the purchase and sale agreement, the sales price was 22,872 million tenge with deferred payment until June 2027. The difference between the sales price, which is the fair value, and the nominal amount of the debt of Samruk-Kazyna in the amount of 8,741 million tenge is reflected in these consolidated financial statements as finance expenses (Note 14).

*Joint ventures*

As at December 31, 2025, balances due to joint ventures were mainly represented by accounts payable for crude oil to TCO for 171,072 million tenge (December 31, 2024: 143,651 million tenge).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. RELATED PARTY DISCLOSURES (continued)****Cash and deposits placed with related parties***Samruk-Kazyna entities*

As at December 31, 2025, the Group has current accounts and term deposits consisting of cash in tenge and dollars on the accounts of Kazpost JSC, subsidiary of Samruk-Kazyna, in the total amount of 41,500 million tenge (December 31, 2024: 56,849 million tenge). The interest rates vary from 3.3% to 3.6% per annum on dollar denominated amounts and 17% for tenge denominated amounts.

**Borrowings payable to related parties***Samruk-Kazyna*

As at December 31, 2025, the borrowings payable to related parties were mainly represented by the bonds placed by the Company in 2022 and acquired by Samruk-Kazyna for 649,876 million tenge (December 31, 2024: 642,749 million tenge) (Note 26).

*Other state-controlled parties*

As at December 31, 2025, the borrowings payable to related parties include loans received from DBK by Atyrau refinery and loans received from the Eurasian Development Bank by KTO in the total amount of 47,569 million tenge (December 31, 2024: loans received from DBK by Atyrau and Pavlodar refineries and loans received by KTO from Eurasian Development Bank in the total amount of 65,999 million tenge) (Note 26).

**Financial assets and loans due from related parties***Samruk-Kazyna*

As at December, 31, 2025 financial assets and loans due from related parties were represented by a loan given by Karachaganak to Samruk-Kazyna in the amount of 22,576 million tenge (December 31, 2024: 21,838 million tenge) and by the bonds receivable from Samruk-Kazyna of 24,160 million tenge, net of expected credit losses (December 31, 2024: 22,461 million tenge).

*Other state-controlled parties*

During 2025, the Group purchased short-term notes of NB RK in the total amount of 446,814 million tenge with an interest rate of 16.08%. Short-term notes of NB RK acquired in 2024 and 2025 in the amount of 447,884 million tenge were redeemed.

During 2024, the Group purchased short-term notes of NB RK in the total amount of 308,147 million tenge with an interest rate of 13.71%. Short-term notes of NB RK acquired in 2023 and 2024 in the amount of 302,600 million tenge were redeemed.

*Joint ventures*

As at December, 31, 2025, financial assets and loans due from related parties were mainly represented by loans issued to KPI with interest rates of SOFR+2.8%, KKO with interest rates of SOFR+3% and interest free loan to UGL for the total amount of 162,326 million tenge (December 31, 2024: 94,732 million tenge).

As of 31 December 2025, the carrying amount of financial guarantee liabilities, provided to joint ventures Silleno and KPI to ensure their financial obligations amounted to 18,009 million tenge (31 December 2024: 858 million tenge).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****32. RELATED PARTY DISCLOSURES (continued)****Transactions turnover**

The following table provides the total amount of transactions, which have been entered into with related parties during 2025 and 2024:

<i>In millions of tenge</i>		Sales to related parties*	Purchases from related parties*	Interest earned from related parties	Interest incurred to related parties
Samruk-Kazyna	2025	4,233	2,774	8,526	83,686
	2024	33,966	6,740	66,305	80,315
Samruk-Kazyna entities	2025	240,958	54,586	2,644	-
	2024	135,107	83,775	2,542	-
Associates	2025	43,868	81,118	17	-
	2024	43,888	84,599	154	-
Other state-controlled parties	2025	1,004	54,376	7,906	8,674
	2024	1,329	49,934	7,458	10,773
Joint ventures	2025	513,061	2,189,601	10,606	-
	2024	410,418	1,744,984	13,534	6,324

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

**Sales to related parties / purchases from related parties***Joint ventures*

In 2025, sales to joint ventures were mainly represented by crude oil and petroleum products refinery services provided to KCEG for amount of 161,731 million tenge (2024: 87,871 million tenge), crude oil transportation services and drilling services provided to MMG for total amount of 79.320 million tenge (2024: 88.444 million tenge) and cargo servicing provided to TCO for 26,934 million tenge (2024: 21,138 million tenge).

In 2025, purchases from joint ventures were mainly attributable to purchases of crude oil from TCO for 2,107,480 million tenge (2024: 1,703,581 million tenge).

**Key management employee compensation**

Total compensation to key management personnel (members of the Boards of directors and Management boards of the Group, including the Company and its subsidiaries) included in general and administrative expenses in the consolidated statement of the comprehensive income was equal to 8,835 million tenge and 7,568 million tenge for the years ended December 31, 2025 and 2024, respectively. Compensation to key management personnel mainly consists of contractual salary and performance bonus based on operating results.

**33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES**

The Group's main financial instruments mainly consist of borrowings, loans given, financial guarantees, cash and cash equivalents, bank deposits as well as accounts receivable and accounts payable. The Group is exposed to interest rate risk, foreign currency risk and credit risk. The Group further monitors the market risk and liquidity risk arising from all financial instruments.

**Market risk**

The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency, and securities, all of which are exposed to general and specific market movements. The Group manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing appropriate margin and collateral requirements. The sensitivity analyses in the following sections relate to the position as of December 31, 2025 and 2024.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Market risk (continued)***Foreign currency risk*

As a result of significant borrowings and accounts payable denominated in the US dollars, the Group’s consolidated statement of financial position can be affected significantly by movement in the US dollar/tenge exchange rates. The Group also has transactional currency exposures. Such exposure arises from revenues in US dollars. The Group has a policy on managing its foreign currency risk in US dollar by matching US dollar denominated financial assets with US dollar denominated financial liabilities. The following table demonstrates the sensitivity of the Group’s profit before income tax (due to changes in the cash flows of monetary assets and liabilities) to a reasonably possible change in the US dollar and Euro exchange rate, with all other variables held constant. The sensitivity of possible changes in exchange rates for other currencies are not considered due to its insignificance to the consolidated financial results of Group’s operations.

<i>In millions of tenge</i>	Increase/ (decrease) in tenge to exchange rate	Effect on profit before tax
<b>2025</b>		
USD	+9%	(30,113)
	(9%)	30,113
EUR	+11%	(22,141)
	(11%)	22,141
<b>2024</b>		
USD	+9%	(100,651)
	(7%)	81,317
Euro	+9%	(2,396)
	(6%)	1,584

*Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s long-term borrowings with floating interest rates. The Group’s policy is to manage its interest rate cost using a mix of fixed and variable rate borrowings. The following table demonstrates the sensitivity of the Group’s profit before income tax (through the impact on floating rate borrowings) to a reasonably possible change in interest rates, with all other variables held constant. There is no significant impact on the Group’s equity.

<i>In millions of tenge</i>	Increase/ (decrease) in basis points	Effect on profit before tax
<b>2025</b>		
SOFR	+0.22	(996)
	(0.22)	996
<b>2024</b>		
SOFR	+4.50	(25,680)
	+0.39	(2,226)

**Credit risk**

The Group trades only with recognized, creditworthy parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group’s exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

With respect to credit risks arising on other financial assets of the Group, which comprise cash and cash equivalents, bank deposits, loans and receivables from related parties and other financial assets, the Group’s exposure to credit risks arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Credit risk (continued)**

The table below shows the risk profile of the Group’s cash and cash equivalents, short-term and long-term deposits held in banks as at December 31, 2025 and 2024, using the Fitch credit ratings, or in their absence, using their equivalent rates in S&P and Moody’s:

	As at December 31	
	2025	2024
AA- to A+	21%	18%
A to A-	65%	65%
BBB+ to BBB-	9%	11%
BB+ to BB-	5%	6%

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The table below summarizes the maturity profile of the Group’s financial liabilities as at December 31, 2025 and 2024, based on contractual undiscounted payments.

<i>In millions of tenge</i>	Due less than 1 month	Due later than 1 month but not later than 3 months	Due later than 3 months but not later than 1 year	Due later than 1 year but not later than 5 years	Due after 5 years	Total
<b>As at December 31, 2025</b>						
Borrowings*	–	3,854	436,344	1,872,240	3,911,492	6,223,930
Trade accounts payable	263,021	263,928	18,824	983	251	547,007
Financial guarantees**	231,843	–	–	–	–	231,843
Lease liabilities	2,620	4,562	15,423	62,886	103,685	189,176
Other financial liabilities	21,664	29,782	40,668	37,595	–	129,709
	519,148	302,126	511,259	1,973,704	4,015,428	7,321,665
<b>As at December 31, 2024</b>						
Borrowings*	8,311	4,279	508,247	1,760,405	5,449,825	7,731,067
Trade accounts payable	208,205	226,758	163,824	–	–	598,787
Financial guarantees**	–	59	32,269	14,991	–	47,319
Lease liabilities	2,788	4,488	19,195	56,149	102,326	184,946
Other financial liabilities	38,867	22,566	72,418	8,990	–	142,841
	258,171	258,150	795,953	1,840,535	5,552,151	8,704,960

\* The Group excludes from the maturity profile table the borrowings payable to project partners under the carry-in financing agreements due to the uncertainty of maturity of these loans. As of December 31, 2025, the borrowings due to partners were 7,782 million tenge (December 31, 2024: 31,926 million tenge).

\*\* The Group includes financial guarantees to the maturity profile table, however, the cash outflow in relation to financial guarantees is subject to certain conditions. Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. In 2025 and 2024 there was no significant instances of financial guarantees execution.

**Capital management**

The primary objective of the Group’s capital management is to maximise the shareholder value. The Group manages its capital to ensure that Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company seeks to maintain a prudent capital structure to support its capital investment plans and maintain investment grade credit rating through the cycle. Maintaining sufficient financial flexibility is considered strategically important to mitigate industry cyclicality while also enabling the pursuit of organic and inorganic investment opportunities. The Company has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt incurrence.

For the purpose of the Group’s capital management, the capital structure of the Group consists of borrowings (Note 26) less cash (Note 24) and short-term deposits (Note 19) and equity, comprising share capital, additional paid-in capital, other reserves and retained earnings (Note 25).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)**

The Group’s management regularly reviews the capital structure. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Also to achieve this overall objective, the Group’s capital management, among other things, aims to ensure that it meets financial covenants attached to borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any borrowing in the years ended December 31, 2025 and 2024 (Note 26).

<i>In millions of tenge</i>	December 31, 2025	December 31, 2024
Borrowings	3,521,947	3,967,401
less: cash, cash equivalents and short-term bank deposits	3,073,649	2,730,267
<b>Net debt</b>	<b>448,298</b>	<b>1,237,134</b>
Equity	12,386,325	11,924,284
<b>Capital and net debt</b>	<b>12,834,623</b>	<b>13,161,418</b>

No changes were made in the overall strategy, objectives, policies or processes for managing capital during the years ended December 31, 2025 and 2024.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments**

Information on the carrying amount and fair value of certain financial instruments of the Group as at December 31, 2025 and 2024, disclosed below:

<i>In millions of tenge</i>	December 31, 2025					December 31, 2024				
	Carrying amount	Fair value	Fair value by level of assessment			Carrying amount	Fair value	Fair value by level of assessment		
			Level 1	Level 2	Level 3			Level 1	Level 2	Level 3
Bonds receivable from Samruk-Kazyna	24,098	11,708	-	11,708	-	32,479	27,650	-	27,650	-
NB RK notes	37,378	37,378	-	37,378	-	38,329	38,329	-	38,329	-
Loans and receivables due from related parties at fair value through profit and loss	159,655	159,655	-	-	159,655	93,743	93,743	-	-	93,743
Loans given to related parties at amortized cost	37,344	37,502	-	22,576	14,926	34,445	36,700	-	21,838	14,862
Fixed interest rate borrowings	3,062,408	2,948,106	2,926,144	21,962	-	3,396,818	3,238,502	2,406,715	831,787	-
Financial guarantees	18,009	18,009	-	-	18,009	858	858	-	-	858
Floating interest rate borrowings	459,539	459,538	-	459,538	-	570,583	570,656	-	570,656	-

For all other financial instruments, the carrying amount approximates their fair value.

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

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

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

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

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****33. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (continued)****Fair values of financial instruments (continued)**

The valuation technique, inputs used in the fair value measurement for Level 3 measurements and related sensitivity to reasonably possible changes in those inputs are as follows at December 31, 2025:

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

The above tables disclose the sensitivity to valuation inputs for financial assets, if changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would change the fair value significantly.

There were no changes in the valuation technique for level 3 recurring fair value measurements during the year ended December 31, 2025 and 2024.

A reconciliation of movements in Level 3 of the fair value hierarchy for the years ended December 31, 2025 and December 31, 2024, is as follows:

<i>In millions of tenge</i>	2025	2024
<b>Loans and receivables due from related parties at fair value through profit and loss</b>		
Fair value at 1 January	93,743	73,926
Gains or losses recognised in profit or loss for the year	3,293	(47,843)
Loans issued	63,570	62,875
Foreign currency translation	(951)	4,785
<b>Fair value at 31 December</b>	<b>159,655</b>	<b>93,743</b>

**34. CONTINGENT LIABILITIES AND COMMITMENTS****Operating environment**

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

**Commodity price risk**

The Group generates most of its revenue from the sale of commodities, primarily crude oil and oil products. Historically, the prices of these products have been volatile and have fluctuated widely in response to changes in supply and demand, market uncertainty, the performance of the global or regional economies and cyclicalities in industries. Prices may also be affected by the Government actions, including the imposition of tariffs and import duties, speculative trades, an increase in capacity or oversupply of the Group's products in its main markets. These external factors and the volatility of the commodity markets make it difficult to estimate future prices. A substantial or extended decline in commodity prices would materially and adversely affect the Group's business and the consolidated financial results and cash flows of operations. The Group mainly does not hedge its exposure to the risk of fluctuations in the price of its products.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Taxation**

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of the Republic of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.

Management believes that as at December 31, 2025, its interpretation of the relevant legislation is appropriate and that it is probable that the Group's tax positions will be sustained, except as provided for or otherwise disclosed in these consolidated financial statements.

**Sanctions**

The Group, as a participant in joint projects with foreign partners, conducts a comprehensive assessment of the potential impact of external factors, including sanctions restrictions. This assessment takes into account legal, financial and technical aspects. At the same time, project implementation continues as prescribed in accordance with the current legislation of the Republic of Kazakhstan and the contractual obligations of the parties.

The Group continuously monitors new restrictive measures adopted by the US, EU and UK and assesses their potential impact on the Group's operations and the implementation of joint projects with Russian partners.

In November 2025, the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) issued a license authorizing operations necessary for the Caspian Pipeline Consortium, TCO and Karachaganak projects. Furthermore, on November 10, 2025, the Ministry of Energy of the Republic of Kazakhstan, at the initiative of the Group, submitted an appeal to OFAC regarding operations involving the transportation of Russian oil through the territory of the Republic of Kazakhstan to the People's Republic of China.

On November 21, 2025, OFAC Comfort Letters were received, according to which Pavlodar Refinery and KTO are authorized to conduct transactions related to Rosneft Oil Company PJSC if such transactions are typically necessary for their operations and fulfillment of contractual obligations, provided that there is no involvement of U.S. persons, no use of the U.S. financial system, no benefit to other sanctioned persons and no other violations of the sanctions regime. These Comfort Letters are set to expire on April 29, 2026. The Group's management plans to continue working to extend the relevant OFAC Comfort Letters, if necessary, in accordance with established procedures.

To minimize sanctions risks, joint project agreements include appropriate mechanisms and legal remedies aimed at ensuring compliance with applicable international sanctions restrictions. The Group takes the necessary measures to comply with international sanctions requirements and minimize potential sanctions risks.

**Transfer pricing control**

Transfer pricing control in Kazakhstan has a very wide scope and applies to many transactions that directly or indirectly relate to international business regardless of whether the transaction participants are related or not. *The transfer pricing legislation* requires that all taxes applicable to a transaction should be calculated based on market price determined in accordance with the arm's length principle. The law on transfer pricing came into force in Kazakhstan from January 1, 2009. The law is not explicit and there is little precedence with some of its provisions. Moreover, the law is not supported by detailed guidance for application of transfer pricing control to various types, as a result, there is a risk that the tax authorities may take a position that differs from the Group's position, which could result in additional taxes, fines and interest. As at December 31, 2025, management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group's positions with regard to transfer pricing will be sustained.

**Comprehensive tax audit at oil refineries of the Group**

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and PKOP were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and reduction in tax carry-forward losses for 119,871 million tenge.

Atyrau refinery, Pavlodar refinery and PKOP did not agree with the assessment and appealed to the Ministry of Finance of RK. Appeals of Atyrau refinery and Pavlodar refinery are under consideration by the Ministry of Finance of the RK.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Comprehensive tax audit at oil refineries of the Group (continued)**

PKOP partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3,694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of PKOP made on November 15, 2021 by the Civil Chamber of the Shymkent City Court. During 2024, PKOP took measures to appeal the decision of the Judicial Collegium for Civil Cases of the Supreme Court to the Prosecutor General's Office of the Republic of Kazakhstan. However, due to the lack of procedural opportunity, consideration of the petitions was refused. Accordingly, PKOP recognized a provision and paid tax and fine in the amount of 3,694 million tenge. On August 28, 2025, the Appeals Commission of the Ministry of Finance of the RK decided to overturn the contested notices issued by PKOP.

Taking into account the decisions of the Appeals Commission of the Ministry of Finance of the RK on PKOP, the Group expects a positive outcome on the contested notices regarding the results of tax audits at the Atyrau Refinery and the Pavlodar refinery.

The potential amount of additional value added tax (VAT) assessments for the period from 2020 to 2025 is calculated by applying the VAT rate of 12% to the amount of excise tax reimbursed by the toller, excluding potential fines and penalties as stipulated in accordance with the Administrative Code of the Republic of Kazakhstan.

The excise tax amount is determined by applying the excise tax rate per ton, established by Government Resolution of the Republic of Kazakhstan (hereinafter referred to as "GRRK") No. 173 dated April 6, 2018 (as amended by GRRK No. 841 dated November 25, 2021,; GRRK No. 155 dated March 24, 2022 and GRRK No. 280 dated April 28, 2025) to the volume of petroleum products (gasoline and diesel fuel) transferred to tollers annually. The total volume of petroleum products transferred to tollers from 2020 to 2025 amounted to 27,007 thousand tons, including 12,772 thousand tons of gasoline and 14,234 thousand tons of diesel fuel. Additionally, from January 1, 2022, to April 4, 2022 (before the amendments introduced by GRRK No. 155 dated March 24, 2022, took effect on April 5, 2022), the volume of transferred petroleum products amounted to 721 thousand tons of gasoline and 810 thousand tons of diesel fuel.

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

On December 17, 2019, OEBS has been noticed by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On July 29, 2022, the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total NAMR claim of 20 million U.S. dollars. In 2022, the Group recognized a provision in the amount of 10.1 million dollars (equivalent to 5,106 million tenge).

On May 23, 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay 10.1 million U.S. dollars. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS was authorized to make the payment as follows: 30% of the liabilities will be paid directly to NAMR, while the remaining 70% in the amount of 7.1 million dollars (equivalent to 3,589 million tenge) will be paid to the Romanian tax authorities by November 23, 2026, in accordance with the debt Restructuring Plan agreed between OEBS and the National Agency for Fiscal Administration.

As of December 31 2025, OEBS paid 30% of the liabilities. The Group also reclassified the previously recognized provision into other financial liabilities (*Note 28 and 29*).

**Competition investigation in Moldova**

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMG operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products.

RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022.

In 2022, the Group recognized a provision on penalties in the amount of 12 million dollars (equivalent to 6,066 million tenge).

On August 26, 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The court hearing on RPM's appeal has been postponed until March, 2026.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Legal issues and claims (continued)****The Memorandum of Understanding**

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

Among other provisions, the Memorandum states that the precautionary seizure of Rompetrol Rafinare assets (including shares held by Rompetrol Rafinare in its subsidiaries) imposed in September 2010 to be lifted after the state withdraws its claim against the conversion of the bonds into Rompetrol Rafinare shares, which happened in March 2014. At the same time, the Government of Romania will organize an auction for the sale of 26.6959% of Rompetrol Rafinare shares (the first call), at which KMG will have to offer a price not less than 200 million US dollars.

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

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

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

**The case of an administrative offense of the Atyrau refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Atyrau region**

In January 2025, Antimonopoly agency conducted an inspection for compliance with the legislation of the RK in the field of competition protection in relation to the Atyrau refinery on the grounds of establishing and maintaining monopolistically high prices for oil refining services in 2021-2023. In June 2025, Antimonopoly agency issued the Conclusion which stated that Atyrau refinery set monopolistically high tariff for oil refining services, which sets to confiscate revenue for 2021-2023 of 29,137 million tenge and impose fine of 37,390 million tenge (further Conclusion).

Atyrau refinery does not agree with the results of the Conclusion and on September 4, 2025, filed an administrative claim to the specialized interdistrict administrative court of the Atyrau region against the Conclusion. On December 5, 2025, the court denied the claim of Atyrau refinery. On February 12, 2026, Atyrau refinery filed an appeal against the court decision.

Due to significant disagreements regarding the calculation methodology and approaches used, it is not possible to reliably determine the amount of potential losses, including possible confiscation of income and administrative fines. Since the relevant liability is possible but not probable, and its amount cannot be reliably estimated, this situation is classified as a contingent liability.

**Environmental issues**

In 2021, a new Environmental Code came into force, which increases the responsibility of industrial enterprises for environmental pollution, and also provides for the introduction of a waste management hierarchy and the construction of waste energy recycling plants. According to the Environmental Code, facilities belonging to category I after the cessation of operation of facilities that have a negative impact on the environment must eliminate the consequences of the operation of such facilities and provide the authorized body in the field of environmental protection with financial security for obligations related to the elimination of the consequences of the activity within three years, starting July 1, 2029. In accordance with the Environmental Code of the Republic of Kazakhstan, the Company has legal obligations to dismantle and liquidate fixed assets and restore land plots. As of December 31, 2025, the carrying amount of the reserve for the largest oil refineries of the Group: Atyrau and Pavlodar Refineries amounted to 33,611 million tenge (as of December 31, 2024: 41,778 million tenge) (*Note 28*), which is equal to the present value of future cash outflows associated with the dismantling of the plant and land reclamation. The Company did not include these expected expenses to the deferred taxes calculation, since it does not expect taxable profit after the liquidation of assets.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Environmental audits**

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (further KERK) conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea dated November 18, 1997, further Operator, in which KMG Kashagan B.V. has a share of 16.88%. Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tons. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order.

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

On August 18, 19 and 22, 2025, the state inspector of the Department Ecology of the Atyrau Region issued seven decisions against the Operator. The Operator appealed all the decisions to KERK. On October 24, 2025, KERK, based on the Operator's petition, suspended its consideration of the complaints due to the fact that on October 10, 2025, the Operator received from the Department Ecology of the Atyrau Region a new order to eliminate the violations. On October 17, 2025, the Operator appealed this order to the SIDAC. On January 8, 2026, the SIDAC ruled that the order of October 10, 2025, was valid. The Operator has the right to appeal this decision.

As of December 31, 2025, KMG Kashagan B.V. has not recognized any provisions related to this inspection. The management of KMG Kashagan B.V. assesses the risk of fines for environmental inspections within the framework of the applicable legislation of the Republic of Kazakhstan as unlikely.

**Cost recovery audits**

KMG Kashagan B.V. has a share of 16.88% in the North Caspian Production Sharing Agreement dated November 18, 1997, as amended (further PSA).

KMG Karachaganak LLP, subsidiary of the Company, has a share of 10% in the Final Production Sharing Agreement in respect of the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, as amended (further FPSA).

Under the base principles of the PSA and FPSA, the RK transferred to the participants of these agreements (further Contractors) the exclusive rights to conduct activities in the subsurface areas, but did not transfer neither ownership rights, nor lease rights to these areas. Thus, all extracted and processed oil (i.e. the hydrocarbons produced) are the property of the RK.

Subsoil use operations are carried out on the basis of reimbursement of certain expenditures and the RK reimburses such expenditures to Contractors not in cash but in the form of the portion of oil production, thereby allowing Contractors to recover their expenditures (further Recoverable Costs) and earn profit.

PSA and FPSA provides for a procedure of expense reimbursement and determine the list of expenses that are not Recoverable Costs.

PSA LLP, subsidiary of Samruk-Kazyna, conducts audits of Recoverable Costs as an organization authorized to act on behalf of the RK within the framework of the PSA and FPSA (further the Authorized Body).

In relation to the respective arbitration disputes between the Contractors and the RK, the KMG Kashagan B.V. and KMG Karachaganak LLP are completely excluded from the negotiation process due to a conflict of interest in accordance with the terms of the project documents. As of December 31, 2025, based on the information available, the KMG Kashagan B.V. and KMG Karachaganak LLP have no obligations related to these arbitration proceedings.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Kazakhstan local market obligation**

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

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue (not less than cost of production) than crude oil sold on the export market, which may materially and adversely affect the Group's business, prospects, consolidated financial position and performance.

In 2025, in accordance with its obligations, the Group delivered to the Kazakhstan market 8,303 thousand tons of crude oil, including its share in the joint ventures and associates in the total volume of 2,849 thousand tons (2024: 8,146 thousand tons, including its share in the joint ventures and associates of 2,880 thousand tons).

**Commitments under subsoil use contracts**

As at December 31, 2025, the Group had the following commitment (net of VAT) related to minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate:

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

As at December 31, 2024 commitments (net of VAT) under subsoil use contracts included:

	Capital expenditures, including joint ventures and associates	Capital expenditures of joint ventures and associates	Operational expenses, including joint ventures and associates	Operational expenses of joint ventures and associates
<i>In millions of tenge</i>				
<b>Year</b>				
2025	360,885	33,962	83,986	57,911
2026	229,843	14,581	52,601	12,821
2027	144,476	10,771	19,501	13,309
2028	152,571	10,794	19,958	13,946
2029-2049	175,134	9,334	42,089	14,544
<b>Total</b>	<b>1,062,909</b>	<b>79,442</b>	<b>218,135</b>	<b>112,531</b>

**Oil supply commitments**

As of December 31, 2025, KMG Kashagan B.V. had commitments under the oil supply agreements in the total amount of 0.7 million tons (December 31, 2024: 2.4 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****34. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****Other contractual commitments**

As at December 31, 2025, the Group, had other capital commitments related to acquisition and construction of long-term assets of approximately 201,349 million tenge, net of VAT, including its share in joint ventures commitments of 5,089 million tenge (as at December 31, 2024: 136,221 million tenge, net of VAT, including its share in joint ventures commitments of 17,862 million tenge).

As at December 31, 2025, the Group had commitments in the total amount of 41,084 million tenge (as at December 31, 2024: 58,483 million tenge) under the investment programs approved by the joint order of Ministry of Energy of RK and *Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of RK* to facilitate production units.

**Non-financial guarantees**

As of December 31, 2025 and 2024, the Group has outstanding performance guarantees issued in favour of third parties whereas it provides guarantee should its joint venture or associate fail to perform their obligations under the natural gas purchase-sale, transportation and other agreements.

As of December 31, 2025 and 2024, the management of the Group believes that there were no expected cases of non-performance from the guaranteed parties and, accordingly, no obligations related to the above stated non-financial contingencies were recognized.

**35. SEGMENT REPORTING**

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

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

Disaggregation of revenue by types of goods and services is presented in *Note 6* to the consolidated financial statements.

Disaggregated revenue mainly represents sales and services made to the external parties by the following operating segments:

In millions of tenge	2025					Total
	Exploration and production of oil and gas	Oil transportation	Refining and trading of crude oil and refined products	Corporate	Other	
Sales of crude oil and gas	756,848	–	3,998,538	–	–	4,755,386
Sales of refined products	5,756	–	2,405,304	1,159,001	17,437	3,587,498
Refining of oil and oil products	–	–	247,740	–	–	247,740
Oil transportation services	36	255,268	2,179	–	426	257,909
Other revenue	48,676	65,542	177,496	2,000	229,241	522,955
<b>Total</b>	<b>811,316</b>	<b>320,810</b>	<b>6,831,257</b>	<b>1,161,001</b>	<b>247,104</b>	<b>9,371,488</b>

In millions of tenge	2024					Total
	Exploration and production of oil and gas	Oil transportation	Refining and trading of crude oil and refined products	Corporate	Other	
Sales of crude oil and gas	767,376	–	3,927,847	–	–	4,695,223
Sales of refined products	4,999	–	1,805,243	871,374	16,196	2,697,812
Refining of oil and oil products	–	–	258,530	–	–	258,530
Oil transportation services	–	237,475	1,595	1,466	192	240,728
Other revenue	26,573	55,342	164,607	1,845	189,601	437,968
<b>Total</b>	<b>798,948</b>	<b>292,817</b>	<b>6,157,822</b>	<b>874,685</b>	<b>205,989</b>	<b>8,330,261</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****35. SEGMENT REPORTING (continued)**

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

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

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

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

**Geographic information**

The Group’s property, plant and equipment (*Note 15*) are located in the following countries:

In millions of tenge	2025	2024
Kazakhstan	6,931,049	7,155,527
Other countries	659,580	678,633
	<b>7,590,629</b>	<b>7,834,160</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 35. SEGMENT REPORTING (continued)

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

<i>In millions of tenge</i>	Exploration and production of oil and gas	Oil transportation	Refining and trading of crude oil and refined products	Corporate	Other	Eliminations and adjustments	Total
Revenues from sales to external customers	811,316	320,810	6,831,257	1,161,001	247,104	-	9,371,488
Revenues from sales to other segments	1,671,188	155,602	212,658	91,347	166,585	(2,297,380)	-
<b>Total revenue</b>	<b>2,482,504</b>	<b>476,412</b>	<b>7,043,915</b>	<b>1,252,348</b>	<b>413,689</b>	<b>(2,297,380)</b>	<b>9,371,488</b>
Cost of purchased oil, gas, petroleum products and other materials	(51,416)	(22,416)	(5,928,751)	(752,017)	(46,753)	1,761,836	(5,039,517)
Production expenses	(682,896)	(263,292)	(487,363)	(241,737)	(339,354)	425,725	(1,589,607)
Taxes other than income tax	(339,154)	(23,224)	(40,478)	(176,301)	(13,771)	-	(592,928)
Transportation and selling expenses	(239,318)	(5,231)	(141,937)	(16,966)	-	84,364	(319,088)
General and administrative expenses	(51,112)	(19,463)	(57,657)	(78,011)	(32,662)	20,281	(218,624)
Share in profit of joint ventures and associates, net	477,629	203,695	92,885	-	6,426	-	780,635
<b>EBITDA</b>	<b>1,596,547</b>	<b>346,481</b>	<b>480,614</b>	<b>(12,684)</b>	<b>(12,425)</b>	<b>(5,174)</b>	<b>2,393,359</b>
<b>EBITDA, %</b>	<b>67%</b>	<b>15%</b>	<b>20%</b>	<b>(1%)</b>	<b>(1%)</b>	<b>-</b>	<b>(1%)</b>
Depreciation, depletion and amortization	(515,584)	(48,246)	(143,789)	(2,886)	(13,472)	-	(723,977)
Interest revenue calculated using the effective interest method	31,626	15,891	14,862	224,426	32,098	(120,944)	197,959
Other finance income	2,249	215	214	41,513	1,008	(2,194)	43,005
Finance costs	(54,465)	(21,362)	(96,868)	(278,766)	(9,721)	93,127	(368,055)
(Impairment)/reversal of impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses	(26,026)	8,603	2,027	(19,084)	(1,282)	-	(35,762)
Gain from disposal of subsidiary	-	-	-	3,000	-	-	3,000
Foreign exchange (loss)/gain, net	(6,356)	(1,459)	(18,162)	(58,687)	652	-	(84,012)
Excepted credit losses	17,003	376	857	(22,257)	(849)	11,614	6,744
Other operating (expenses)/income, net	(4,599)	15,833	2,181	101,359	(5,688)	(109,590)	(504)
Income tax expenses	(139,482)	(26,451)	(43,515)	(143,090)	(7,165)	-	(359,703)
<b>Profit/(loss) for the year from continuing operations</b>	<b>900,913</b>	<b>289,881</b>	<b>198,421</b>	<b>(167,156)</b>	<b>(16,844)</b>	<b>(133,161)</b>	<b>1,072,054</b>
<b>Other segment information</b>							
Investments in joint ventures and associates	3,955,624	594,449	179,287	-	204,602	-	4,933,962
Capital expenditures	375,558	67,226	131,943	5,302	102,398	-	682,427
Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets	(11,565)	(7,211)	(48,592)	(40,574)	(10,723)	-	(118,665)
<b>Assets of the segment</b>	<b>10,441,069</b>	<b>1,613,687</b>	<b>2,822,744</b>	<b>2,702,935</b>	<b>1,583,657</b>	<b>(315,647)</b>	<b>18,848,445</b>
<b>Liabilities of the segment</b>	<b>1,771,492</b>	<b>347,593</b>	<b>1,699,184</b>	<b>3,482,030</b>	<b>214,672</b>	<b>(1,052,851)</b>	<b>6,462,120</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 35. SEGMENT REPORTING (continued)

The following represents information about profit and loss for 2024 and assets and liabilities as at December 31, 2024 of operating segments of the Group:

<i>In millions of tenge</i>	Exploration and production of oil and gas	Oil transportation	Refining and trading of crude oil and refined products	Corporate	Other	Eliminations and adjustments	Total
Revenues from sales to external customers	798,948	292,817	6,157,822	874,685	205,989	-	8,330,261
Revenues from sales to other segments	1,687,114	156,087	197,018	104,826	186,154	(2,331,199)	-
<b>Total revenue</b>	<b>2,486,062</b>	<b>448,904</b>	<b>6,354,840</b>	<b>979,511</b>	<b>392,143</b>	<b>(2,331,199)</b>	<b>8,330,261</b>
Cost of purchased oil, gas, petroleum products and other materials	(53,766)	(20,815)	(5,447,383)	(553,840)	(63,400)	1,792,193	(4,347,011)
Production expenses	(639,251)	(254,754)	(387,897)	(236,265)	(299,386)	418,949	(1,399,604)
Taxes other than income tax	(397,851)	(21,315)	(33,173)	(128,808)	(11,837)	-	(592,984)
Transportation and selling expenses	(210,806)	(19,094)	(108,751)	-	-	83,868	(267,824)
General and administrative expenses	(52,639)	(17,651)	(61,045)	(113,171)	(27,673)	18,031	(254,148)
Share in profit of joint ventures and associates, net	359,311	104,204	55,150	-	12,565	-	531,230
<b>EBITDA</b>	<b>1,491,060</b>	<b>219,479</b>	<b>371,741</b>	<b>(65,614)</b>	<b>2,412</b>	<b>(18,158)</b>	<b>2,000,920</b>
<b>EBITDA, %</b>	<b>74%</b>	<b>11%</b>	<b>19%</b>	<b>(3%)</b>	<b>-</b>	<b>(1%)</b>	<b>(1%)</b>
Depreciation, depletion and amortization	(453,254)	(44,489)	(130,315)	(3,346)	(11,262)	-	(642,666)
Interest revenue calculated using the effective interest method	27,165	11,553	40,522	208,689	14,247	(117,784)	184,392
Other finance income	2,451	1,088	225	113,374	6,152	-	123,290
Finance costs	(45,579)	(19,788)	(109,221)	(237,334)	(12,421)	78,247	(346,096)
(Impairment)/reversal of impairment of property, plant and equipment, intangible assets, non-current advances for fixed assets and exploration expenses	(57,100)	(2,475)	(4,064)	(40,678)	11,609	22,975	(69,733)
Gain from disposal of subsidiary	-	-	-	16,410	-	-	16,410
Foreign exchange gain/(loss), net	20,602	1,799	2,922	160,363	651	(878)	185,459
Excepted credit losses	(16,787)	(782)	3,210	(458)	(260)	6,761	(8,316)
Other operating income/(expenses), net	48,914	3,271	567	20,475	(4,411)	(55,142)	13,674
Income tax expenses	(220,400)	(9,426)	(38,129)	(90,576)	(4,556)	-	(363,087)
<b>Profit/(loss) for the year from continuing operations</b>	<b>797,072</b>	<b>160,230</b>	<b>137,458</b>	<b>81,305</b>	<b>2,161</b>	<b>(83,979)</b>	<b>1,094,247</b>
<b>Other segment information</b>							
Investments in joint ventures and associates	4,503,070	582,045	134,681	-	158,717	-	5,378,513
Capital expenditures	433,140	63,777	154,161	32,512	32,651	-	716,241
Allowances for obsolete inventories, expected credit losses on trade receivables, loans and receivables from related parties, other current financial assets and impairment of other current non-financial assets	(30,523)	(7,554)	(54,589)	(31,966)	(10,170)	-	(134,802)
<b>Assets of the segment</b>	<b>11,643,803</b>	<b>1,550,949</b>	<b>3,238,703</b>	<b>2,254,912</b>	<b>601,821</b>	<b>(355,541)</b>	<b>18,934,647</b>
<b>Liabilities of the segment</b>	<b>1,967,648</b>	<b>362,981</b>	<b>1,814,519</b>	<b>5,747,682</b>	<b>220,781</b>	<b>(3,103,448)</b>	<b>7,010,363</b>

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

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**36. SUBSEQUENT EVENTS**

On January 18, 2026, TCO temporarily suspended production at the Tengiz and Korolevskoye fields due to a malfunction affecting some of the power supply systems at the production sites. Subsequently, TCO confirmed the safe restoration of the power supply system and the gradual resumption of oil production. As conditions stabilize, TCO is increasing production volumes.