

MEGAPROJECTS

Tengiz

Discovered in 1979, the Tengiz field is a gem in Kazakhstan's oil and gas industry and one of the largest fields across the globe.

The agreement on Tengizchevroil LLP (TCO) was signed between the Republic of Kazakhstan and Chevron Corporation in 1993, which granted TCO a 40-year-long exploration and production licence for Tengiz and Korolevskoye fields in the Atyrau Region.



Key indicators

Oil production in 2025 (total)

39,011 thous. tonnes (853 thous. bbl per day)¹

Oil production (attributable to KMG) (20%)

7,802 thous. tonnes (171 thous. bbl per day)

2P oil reserves life

Over 40 years

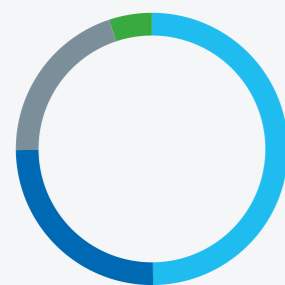
Associated gas production (total), including gas consumed in the project's own operations and gas reinjection

22.6 bln m³

Operator

TCO

Interests



- 50% ● Chevron
- 25% ● ExxonMobil
- 20% ● KMG
- 5% ● LUKOIL International GmbH

TCO operates a licence covering the unique supergiant Tengiz field and the adjacent Korolevskoye field with significant reserves. The company employs highly reliable modern operating facilities, including complex technology lines, Second-Generation Plant, Third-Generation Plant (TGP), and third-generation sour gas injection units.

The project is an example of international cooperation and the application of cutting-edge solutions in Kazakhstan's oil and gas industry.

¹ 1 tonne = 7.98 bbl.

Tengizchevroil's operational highlights

Year	Oil production, thous. tonnes	Associated gas production, mln m ³	Dry gas production, mln m ³	Liquefied petroleum gas (LPG) production, thous. tonnes	Sulphur production, thous. tonnes	Gas injection, mln m ³
2023	28,893	16,009	9,403	1,255	2,573	3,641
2024	27,811	15,059	8,669	1,234	2,468	3,520
2025	39,011	22,571	8,691	1,278	2,456	11,046

The increase in production is attributable to the early start-up of Future Growth Project facilities.

Kashagan

Kashagan is the greatest discovery of the last four decades and one of the most complex oil and gas projects globally. The Kashagan field lies in the North Caspian shelf 75 km away from Atyrau. The field reservoir lies at a depth of over 4 km and features high pressures (over 700 bar) alongside high hydrogen sulphide (H₂S) content, necessitating the use of cutting-edge technologies and innovations.

Operated by NCOC, the project relies on the Production Sharing Agreement in respect of the North Caspian Sea (NCSPSA) dated 18 November 1997. Together with Aktoty and Kairan, Kashagan is part of North Caspian, the first major offshore oil and gas project in Kazakhstan.



Key indicators

Oil and condensate production in 2025 (total)

17,919 thous. tonnes (396 thous. bbl per day)¹

Oil and condensate production (attributable to KMG) (16.88%)

3,025 thous. tonnes (66 thous. bbl per day)

2P oil and condensate reserves life

Over 76 years

Gas production (total)

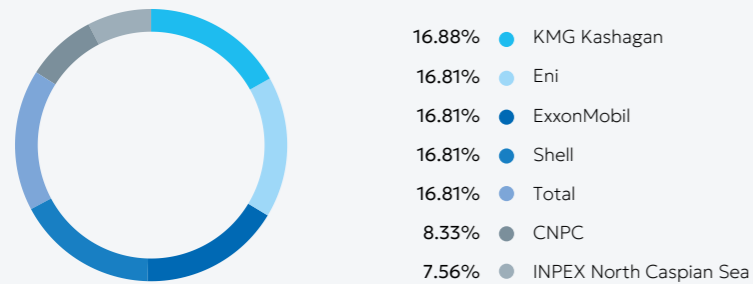
11.7 bln m³

Operator

NCOC

¹ 1 tonne = 7.9272 bbl.

Interests



A total of 40 wells were drilled at the Kashagan field, including 33 production wells, six injection wells, and one monitoring well. Sour gas injection at high pressure improves oil recovery, ensures stable production, and unlocks growth potential.

KMG owns 16.88% in the project through KMG Kashagan B.V., which enables the Company to leverage global best practices and technologies in developing this unique field.

NCOC's operational highlights

Year	Oil production, thous. tonnes	Natural and associated gas production, mln m ³	Sulphur production, thous. tonnes	Gas injection, mln m ³
2023	18,774	11,857	1,486	5,829
2024	17,424	11,253	1,422	5,486
2025	18,269	11,973	1,522	5,811

The absence of planned turnarounds in 2025 ensured stable and continuous equipment operation. This helped offset the performance decline seen in the previous year, driving growth in production and associated operational volumes. The lower production volumes in 2024 were attributable to planned operational constraints – a temporary production halt of approximately 20 days in 3Q 2024 due to the replacement of an inlet gas separator.

Under the terms of the PSA, all oil produced at the Kashagan field is exported, including KMG's share of the oil. The produced oil is mostly exported to Europe, East Asia, and India via Novorossiysk, where the oil is delivered by the CPC pipeline.

Arbitration dispute

The Republic of Kazakhstan and the contracting companies (excluding KMG Kashagan B.V., KMG's subsidiary) are involved in several disputes over the application of certain NCSPSA provisions, which have been submitted to arbitration in accordance with the NCSPSA.

Environmental audit

In 2022, the Environmental Department for the Atyrau Region issued a prescription to the Operator regarding excessive sulphur placement of 1.02 mln tonnes. Although the appeal court ruled on 1 August 2025 that this Prescription was unlawful, and the court of cassation upheld this ruling on 10 December 2025, the legal dispute over this matter continues.

Following inspections conducted in 2022, administrative penalties of KZT 2,358 bln (approx. USD 4,366 bln) were imposed on the Operator in August 2025. In view of the legal uncertainty and a fresh Prescription issued by the Environmental Department on 10 October 2025 regarding the same violations, the penalty proceedings have been stayed pending the decision of the associated litigation.

On 23 December 2025, the court of first instance in Astana ruled that the new 2025 Prescription was lawful. The Operator plans to lodge an appeal against that ruling no later than 8 March 2026. As of 31 December 2025, the Company assesses the probability of financial losses as uncertain and has not recognised any corresponding provisions in its consolidated financial statements.

Kashagan expansion projects

Ongoing projects

QazaqGaz is building a gas processing plant with a capacity of 1 bln m³ per year, with construction progress currently at 54.8%. NCOC has completed all pipeline construction, and the pipeline is now in long-term preservation. QazaqGaz is expected to complete the gas processing plant by the end of 2026.

In addition, we continue our liquefied petroleum gas (LPG) marketing project. In August 2024, we signed an agreement with QazaqGaz on LPG sales and purchase. As of the end of 2025, the current work progress on the NCOC side stood at 70%. The entire project scope to be delivered by NCOC is on track for completion in 3Q 2026. Official notice has been received from QazaqGaz regarding the delay of the first phase completion until early July 2026.

Projects under consideration

The Company is actively exploring opportunities to further ramp up its production. As part of the Phase 2A project, KMG signed a FEED agreement. The investment decision has been tentatively postponed to the end of 2026. The new gas processing plant will be launched in 2029–2030.



Karachaganak

Karachaganak is one of the largest oil and gas condensate fields in the world located in the West Kazakhstan Region. Spreading over 280 km², the field plays the key role in advancing Kazakhstan's oil and gas industry. Karachaganak was discovered in 1979, while its commercial development started in 1984.



Key indicators

Production of liquid hydrocarbons (stable)¹ (total)

10,914 thous. tonnes
(235 thous. bbl per day)²

Production of liquid hydrocarbons (stable) (attributable to KMG) (10%)

1,091 thous. tonnes
(24 thous. bbl per day)

Outlook

The implementation of investment projects to maintain the achieved liquid hydrocarbon production plateau levels

2P oil and condensate reserves life

Over 18 years

Gas production (total)

25.2 bln m³

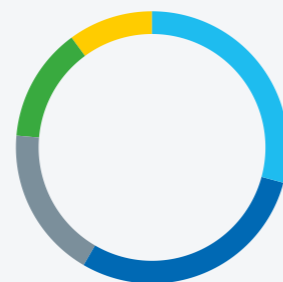
Operator

Royal Dutch Shell and Eni are the joint operators of the Karachaganak field

Final Production Sharing Agreement and project operators

The project relies on the Final Production Sharing Agreement for the Karachaganak oil and gas condensate field (FPSA) signed on 18 November 1997. The consortium currently comprises Eni (Agip), Shell, Chevron, LUKOIL, and KMG. Agip Karachaganak B.V. and Shell Kazakhstan (Karachaganak) B.V. act as joint operators of the project through Karachaganak Petroleum Operating B.V. (KPO).

Interests



- 29.25% ● Eni S.p.A.
- 29.25% ● Shell
- 18.00% ● Chevron
- 13.5% ● LUKOIL
- 10% ● KMG Karachaganak

Technological infrastructure

The Karachaganak project has three core process facilities comprising the entire cycle of production, treatment, and transportation of hydrocarbons.

1. Karachaganak Processing Complex (KPC):

- processes and stabilises liquid hydrocarbons from wells and Unit 2 and 3;
- performs partial gas treatment for export, reinjection into the reservoir, and meeting its own operational needs.

2. Gas treatment unit 2 (Unit 2):

- separates and reinjects raw gas at high pressure;
- feeds liquid hydrocarbons to the KPC for stabilisation before export processing.

3. Gas treatment unit 3 (Unit 3):

- separates and partially stabilises liquid hydrocarbons and gas before shipment for export.

Karachaganak Petroleum Operating B.V.'s operational highlights

Year	Gas production, mln m ³	Liquid hydrocarbon production, thous. tonnes	Gas injection, mln m ³
2023	22,385	10,858	12,650
2024	23,942	10,968	14,231
2025	25,249	10,914	16,625

Gas reinjection grew proportionately to an increase in gas production due to the use of technologies to maintain reservoir pressure.

Arbitration dispute

Pursuant to the Final Production Sharing Agreement in respect of the contracted plot at the Karachaganak oil and gas condensate field dated 18 November 1997, the Republic of Kazakhstan and the Contracting Companies have a number of disputes regarding the application of certain FPSA provisions that are subject to arbitration. The Contracting Companies believe that they are acting in accordance with the FPSA, the laws of the Republic of Kazakhstan, applicable standards, and best practices.

Pursuant to the notification served on the Operator on 13 April 2023, KMG Karachaganak was fully excluded from the negotiation process due to a conflict of interests in accordance with the Joint Venture Agreement (JVA).

In late January 2026, the London Court of International Arbitration delivered a ruling in favour of the Republic of Kazakhstan in its dispute with the Karachaganak consortium shareholders over the adjustment of recoverable costs. According to media reports, the potential compensation in favour of the government could range from USD 2 bln to USD 4 bln. KazMunayGas is currently working to ascertain the specifics of the ruling and to address related matters with its international partners.

¹ A conversion factor of 0.9 is applied to total oil and condensate production to estimate stable liquid hydrocarbons.

² 1 tonne = 7.86 bbl.

Karachaganak expansion projects

Project	Status	Objectives	Deliverables	Additional information
KEP1 A Commissioning of the 5th compressor	Commissioning (March 2025)	Increasing gas injection by 3.7 bln m ³ per year; maintaining reservoir pressure; stabilising annual oil production at 10–11 mln tonnes	Boosting oil production by around 7.1 mln tonnes over the remaining life of the FPSA	–
KEP1 B Construction of the 6th compressor	Active construction (97% completed as of 1 January 2026)	Increasing gas injection by 3.7 bln m ³ per year; maintaining oil production	An increase in oil output of 5.8 mln tonnes	Commissioning planned in 2Q 2026

Natural and associated gas production

In 2025, natural and associated gas production increased by 20% to 11,450 mln m³. Operating assets produced 2,429 mln m³ (21% of the total), while 9,021 mln m³ (79%) came from megaprojects.

Indicator, mln m ³	2023	2024	2025
Natural and associated gas production by asset (attributable to KMG)	9,459	9,554	11,450
Operating assets	2,055	2,285	2,429
Ozenmunaigas	596	613	610
Embamunaigas	217	205	242
Mangistaumunaigaz	427	443	435
Kazgermunai	129	137	137
Karazhanbasmunai	33	41	40
PetroKazakhstan Inc.	112	109	97
Kazakhoil Aktobe	402	403	398
Kazakhturkmunay	127	102	124
Urikhtau Operating	9	55	79
Dunga	3	27	31
Ural Oil and Gas	2	151	235
Megaprojects	7,403	7,269	9,021
Tengizchevroil	3,202	3,011	4,514
KMG Kashagan B.V.	1,963	1,863	1,982
KMG Karachaganak	2,239	2,394	2,525

Gas production volumes represent the actual gas produced, including both gas reinjected into the reservoir and gas consumed for internal operational needs.

Gas injection is used to maintain reservoir pressure, which is essential for sustaining high oil production rates.

Commercial gas production in 2025 was 5,515.8 mln m³, of which 2,331.8 mln m³ came from operating assets and 3,184 mln m³ from megaprojects. Year-on-year, KMG's commercial gas production increased by 260.8 mln m³, or 5.0% cumulatively.

Commercial gas production from KMG-operated assets¹, mln m³

	2023	2024	2025
Kazgermunai ²	203	239	241
Kazakhoil Aktobe ³	670	676	693
Urikhtau Operating ³	1	47	69
Ural Oil and Gas	22	203	379
Embamunaigas	170	158	188
Kazakhturkmunay	71	43	51
KazGPP ²	689	698	711
Total for operating assets	1,826	2,064	2,332

Commercial gas production from megaprojects (attributable to KMG), mln m³

	2023	2024	2025
Tengiz	1,881	2,025	1,738
Karachaganak ⁴	881	874	765
Kashagan	657	633	681
Total for megaprojects	3,419	3,532	3,184

Gas segment: highlights and projects in 2025

Current projects

Field	2025 highlights	Company
Rozhkovskoye	Actual production in 2025 totalled 343.0 thous. tonnes of condensate and 469.6 mln m ³ of raw gas. Phase 1 is nearing completion: equipment pressure testing has been carried out, and automation commissioning is underway. Phase 2 has been initiated: a design and estimate contract has been executed, together with a new processing agreement dated 20 March 2025.	Ural Oil and Gas
East Urikhtau	Actual gas production for 2025 amounted to 79 mln m ³ , exceeding the planned target of 58.2 mln m ³ .	Urikhtau Operating
Urikhtau (KT-1)	Wells 59G and 61G were demothballed. KMG Engineering prepared the feasibility study and design and estimate documentation for the development of eight wells and infrastructure. On 30 December 2025, Gosexpertiza issued a positive opinion. An addendum to the processing agreement with CNPC-AMG was signed.	Urikhtau Operating
West Prorva	Recoverable gas reserves (C1) increased to 19.8 bln m ³ . On 28 November 2025, gas supplies to the QazaqGaz system commenced under a temporary arrangement. Full commissioning of Phase 1 (with a capacity of 160 mln m ³ per year) is scheduled for 1Q 2026.	Embamunaigas

¹ Indicators are based on the volumes of feedstock owned by the Company. In previous annual reports, volumes were attributed to the party engaged in sales of end products

² Raw gas from Ozenmunaigas and Mangistaumunaigaz's PD Zhetybaimunaigaz is supplied to the KazGPP plant.

³ Including volumes transferred to Gas Processing Company LLP.

⁴ Raw gas supplies to the Orenburg Gas Processing Plant.



Kazakh Gas Processing Plant

Key highlights

KazGPP is the first gas processing plant built in Kazakhstan and the only plant in the Mangistau Region. Design capacity: 1.5 bln m³ of raw gas, 90 thous. tonnes of gas condensate, and 510 thous. tonnes of natural gas liquids per year.

The plant processes feedstock from the operating assets of KMG and other subsoil users to produce commercial gas, liquefied petroleum gas (LPG), and household fuel for local needs.

2025 results

The plant processed 856.4 mln m³ of raw gas, 3 thous. tonnes of gas condensate, and 37.1 thous. tonnes of natural gas liquids. In 2025, LPG production totalled 204.0 thous. tonnes. In 2025, 202.9 thous. tonnes of LPG were sold against 200.0 thous. tonnes in 2024.

Importance for the region

This is the key facility in the industrial agglomeration of the Mangistau Region as it provides local inhabitants and production facilities with critically important products.

Construction of a new gas processing plant in Zhanaozen

Objectives

Continuous processing of subsoil users' feedstock and stable, reliable gas supplies to meet domestic demand.

Key parameters

The project will run from 2023 to 2027. The new facility is expected to process 900 mln m³ of raw gas per year (+20% of reserve design capacity). Its core products will be:

- commercial gas – 743 mln m³;
- LPG – 217 thous. tonnes;
- pentane-hexane fraction – 122 thous. tonnes;
- commercial sulphur – 85 tonnes.

Current status

For the first phase (Phase 1):

- on 17 February 2025, Gosexpertiza issued a positive opinion;

- general civil works (excluding equipment installation) have been fully completed;
- all Phase 1 equipment has been manufactured (110 kV outdoor switchgear, including modular building, 10 kV switchgear; two 25 MVA power transformers; 10 kV and 110 kV surge arresters; neutral earthing device; 110 kV circuit breaker and disconnector; 11 kV current and voltage transformers).

For the second phase (Phase 2):

- on 14 July 2025, Gosexpertiza issued a positive opinion for preparations, construction of auxiliary buildings and structures;
- site macro-grading is underway to bring the elevation to the design level along with general construction works on utility and administrative facilities;
- orders for long-lead equipment have been placed in Europe and China; of the 259 items, 177 are currently in production.

Plans for 2026

1 Field development

This year, the commissioning of gas engine power plants is planned at the facilities of Mangistaumunaigaz, Karazhanbasmunai, and Kazakhoil Aktobe with installed capacities of 35 MW, 5 MW, and 12 MW respectively.

2 Gas commercialisation

The construction of a gas treatment unit at the Southeast Novobogat field will increase oil production to 107 thous. tonnes per year, as well as enable the commercialisation of up to 80 mln m³ of gas per year. KMG's next strategic focus is the implementation of projects to increase gas production. In 2026, we plan to ensure the technical commissioning of the Central Urikhtau field, achieving gas production of 200 mln m³ and to implement Phase 2 of the Rozhkovskoye field, with subsequent gas production reaching 700 mln m³ per year.



¹ For reference: list of construction and installation works for Phase 1: 110 kV double-circuit overhead power line, southern access road to NGPP, main step-down substation, reconstruction of switchgear cells at 220/110/10 kV Uzen substation, southern checkpoint, southern parking area, and perimeter fencing.