

ABOUT THE COMPANY



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**INVESTING
IN THE FUTURE**

COMPANY PROFILE

GRI 2-1

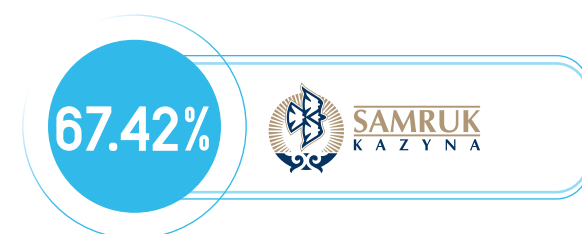
National Company KazMunayGas JSC is the largest vertically integrated oil and gas company in Kazakhstan, performing a full production cycle – from geological exploration and hydrocarbon production to their transportation, processing, and marketing of petroleum products, as well as the provision of specialized services.

The Company was established on February 20, 2002, in accordance with the Presidential Decree of the Republic of Kazakhstan No. 811 "On Measures

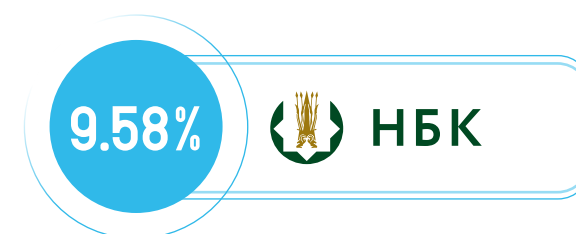
for Further Safeguarding State Interests in the Oil and Gas Sector of the Country's Economy" and the Government Decree No. 248 dated February 25, 2002. KMG became the legal successor of the national oil and gas companies Kazakhoil, Oil and Gas Transportation, and KazMunayGas – Refining and Marketing JSC. The founding entity of KMG is the Government of the Republic of Kazakhstan, represented by the State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan.

SHARE CAPITAL STRUCTURE

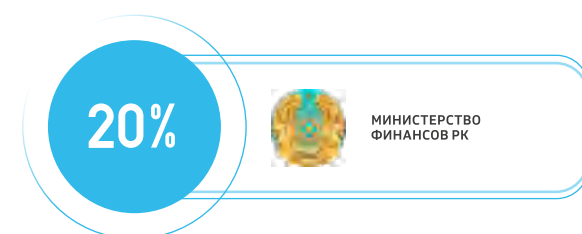
As of December 31, 2024, the shareholders of KMG are:



Sovereign Wealth Fund Samruk-Kazyna JSC



State Institution "National Bank of the Republic of Kazakhstan"



State Institution "Ministry of Finance of the Republic of Kazakhstan"



shares are in free circulation on the KASE and AIX stock exchanges

GROUP STRUCTURE

The KMG Group comprises 105 enterprises in which KMG owns 50% or more of the voting shares (equity stakes). Of these, 55 companies are located in Kazakhstan, while the remaining assets are situated in Romania, Georgia, Switzerland, the Netherlands, Canada, Bulgaria, Moldova, Russia, Turkey, the United Kingdom, Germany, the UAE, Gibraltar, the British Virgin Islands, the Marshall Islands, the Bahamas, and the Isle of Man.

CHANGES IN THE GROUP STRUCTURE

The reduction in the number of legal entities within the Group, including through the liquidation or reorganization of subsidiaries and dependent entities, is being carried out under privatization and divestment programs.

KMG's Comprehensive Privatization Plan for 2021–2025, approved by the Decree of the Government of the Republic of Kazakhstan, includes:

- 53 companies designated for sale;
- 94 companies included in the perimeter of KMG's IPO;
- 7 KMG Group companies for which the procedure and conditions for sale and reorganization are defined by the Management Board of Samruk-Kazyna JSC.

On November 13, 2024, the Board of Directors of KMG approved an updated List of Non-Strategic Assets, which provides for the divestment of 7 companies during the period from 2024 to 2025. In accordance with this list, the following actions were taken in 2024:

- 2 companies were liquidated: Snow Leopard International Inc., and KMG-Ustyurt LLP;
- Equity stakes were sold in 2 companies: Karaton Operating Ltd., and Silleno LLP.

In addition, in 2024, the following companies were either divested or established, although they are not included in the list of companies in which 50% or more of the voting shares (equity interest) are directly or indirectly owned by KMG:

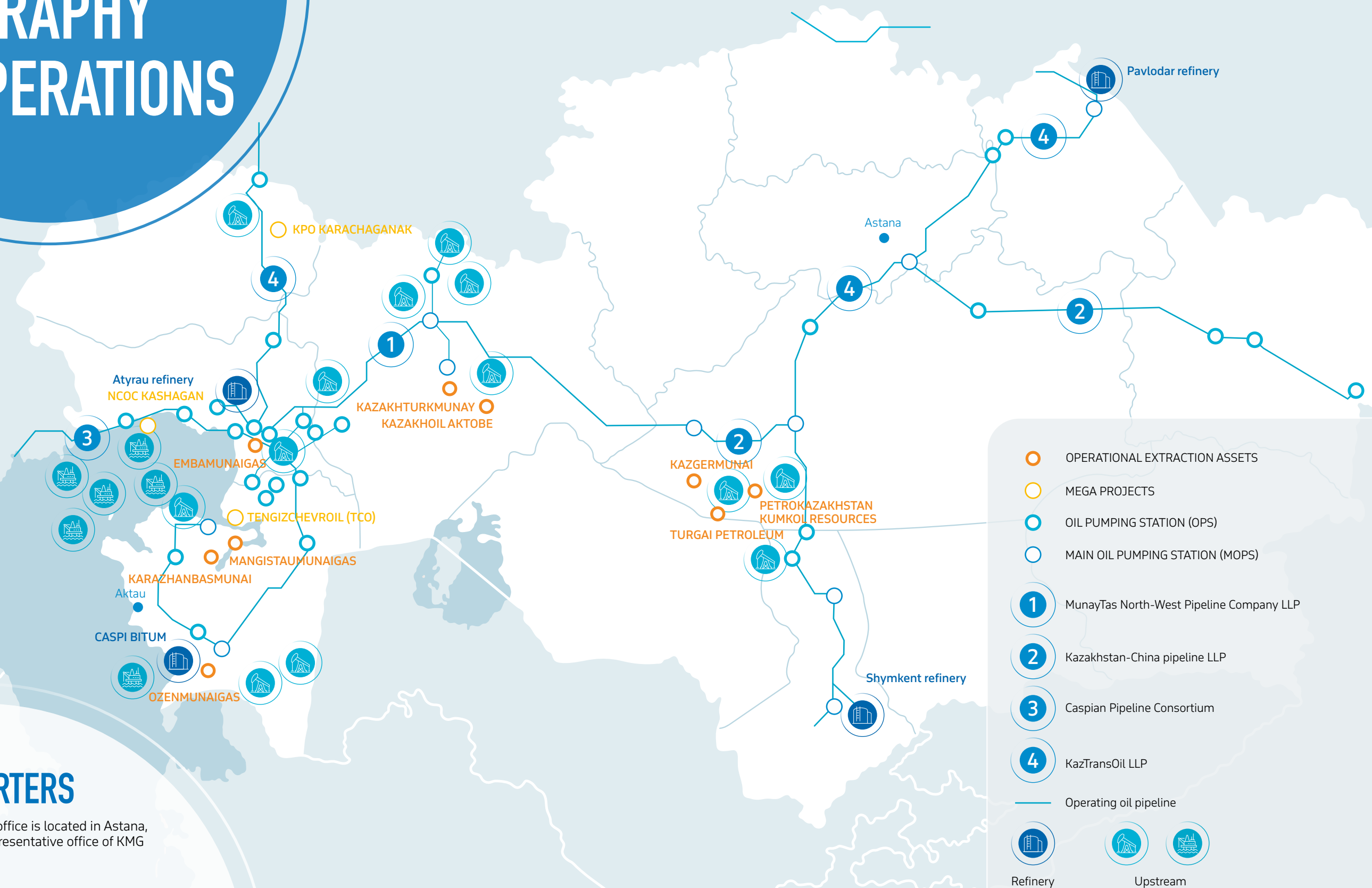
- 3 companies were liquidated: AktauOilMash LLP, Caspi Meruerty Operating Company B.V., and BIO ADVANCED ENERGY SAS;
- 2 companies were established: Mangistau Power B.V. and Mangistau Renewables B.V.



GEOGRAPHY OF OPERATIONS

HEADQUARTERS

The Company's head office is located in Astana, and there is also a representative office of KMG in Aktau.



BUSINESS MODEL



Competitive Advantages

- Unique geographical location
- Full integration across all stages of the value chain
- Financial stability
- Diversified portfolio of exploration assets
- Leadership in Kazakhstan's oil transportation sector
- Modern oil refineries
- Oil and gas chemistry projects as a new growth driver for the company
- Modern corporate governance system and commitment to sustainable development principles

Areas of Activity

- 
Exploration and Production of Hydrocarbons: KMG is engaged in the exploration and development of oil and gas fields, ensuring stable production levels and holding a diversified portfolio of assets with attractive growth potential.
- 
Oil and Gas Transportation: The company participates in all oil transportation projects in Kazakhstan, holding a 56% market share, and controls a significant portion of gas transportation infrastructure.
- 
Oil Refining and Product Marketing: KMG controls the four largest oil refineries in Kazakhstan and two in Romania, ensuring oil refining and the sale of oil products both in domestic and international markets.
- 
Oil and Gas Chemistry: KMG is developing a new oil and gas chemistry business line, including the launch of a polypropylene production plant and the implementation of a polyethylene production plant project.
- 
Service Maintenance: The company provides services for the maintenance and repair of equipment, as well as other service activities to ensure the uninterrupted operation of its production facilities.

Strategic Priorities

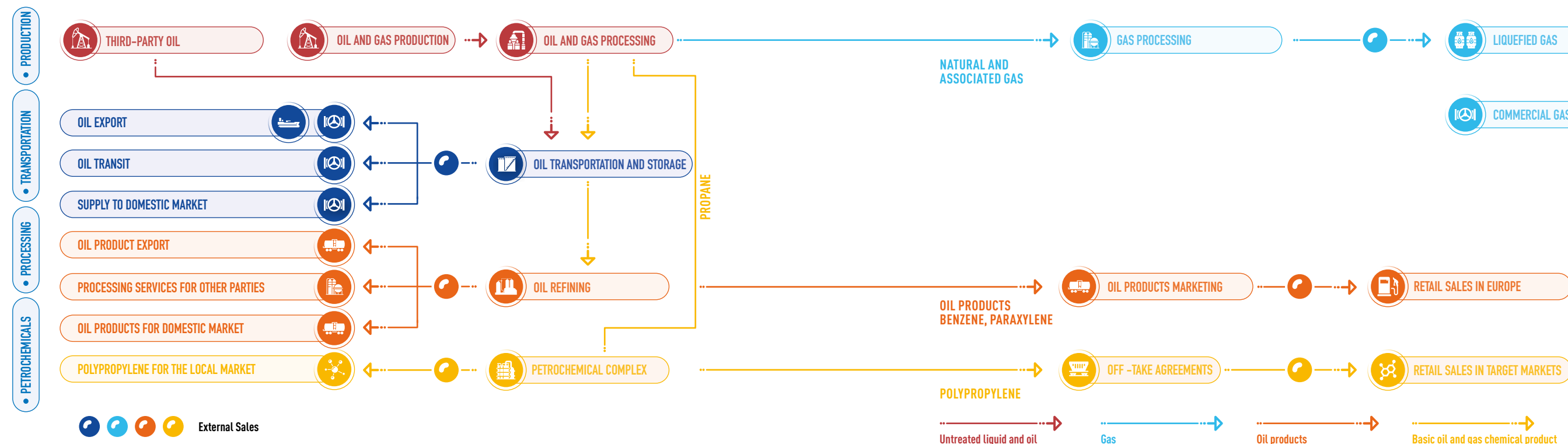
- 
Resource Base Expansion: Ensuring sufficient reserves for traditional activities and promising areas.
- 
Increasing Efficiency of the Value Chain: Maximizing benefits from exploration, transportation, refining, and marketing of oil.
- 
Business Diversification and Product Portfolio Expansion: Developing the oil and gas chemistry direction through the creation of new capacities.
- 
Sustainable Development and Reducing Carbon Intensity of Production: Progressive reduction of carbon footprint and implementation of energy-saving technologies.

Stakeholders

- 
Shareholders: Ensuring stable growth in production indicators. High level of corporate governance.
- 
Investment Community: Investment profitability, transparency, and implementation of ESG practices.
- 
Government: Contribution to Kazakhstan's economic development through tax revenues, export income, and attracting foreign investments.
- 
Employees: Creating safe and favorable working conditions, social guarantees, ensuring fair wages, and professional development.
- 
Society: Implementing social and environmental initiatives aimed at improving the quality of life for the population and protecting the environment.
- 
Clients and Partners: Providing high-quality products and services, maintaining long-term and mutually beneficial relationships.
- 
Contractors: Transparency in procurement, fair cooperation terms, and safety on sites.

VALUE CHAIN

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PRODUCTION, TRANSPORTATION, AND SALES OF OIL AND GAS

In 2024, KMG's oil and gas condensate production totaled 23,837 thousand tonnes (equivalent to 490 thousand barrels per day), which is a 1.3% increase compared to the previous year. The production volume of associated and natural gas (before reinjection) increased by 1.0%, reaching 9,554 million cubic meters.

The total volume of trunk and marine oil transportation rose by 3.9%, amounting to 83,478 thousand tonnes.

The volume of sales of KMG's own produced oil and gas condensate increased by 1.4%, reaching

24,019 thousand tonnes, of which 64.5% was exported.

To meet domestic market needs, KMG supplied 8,519 thousand tonnes of its own oil and gas condensate, including 5,224 thousand tonnes of crude oil from its operating assets (Ozenmunaigas JSC, Embamunaigas JSC, KazakhTurkMunai LLP) to the Atyrau Refinery, Pavlodar Petrochemical Plant (hereinafter – Pavlodar Refinery), and Shymkent Refinery (hereinafter – PKOP) for further processing and sale of petroleum products.

REFINING AND SALES OF PETROLEUM PRODUCTS

The volume of petroleum products output at Kazakhstani and Romanian refineries totaled 17,949 thousand tonnes in 2024, representing a 1.3%¹ decrease.

The volume of wholesale sales of KMG's own petroleum products increased by 6.7%, reaching 5,272 thousand tonnes. This growth

was driven by increased crude oil supplies from Ozenmunaigas JSC and Embamunaigas JSC for further refining, as well as the sale of additional volumes of diesel fuel carried over from 2023.

¹The sustainability report data on petroleum products output includes other petroleum products (Naphtha, Gasoil, and others) that are not included in the production results for 2024 (operational report).