

OPERATING REVIEW

RESERVES

According to the reserves audit report prepared by the international independent firm DeGolyer and MacNaughton in line with PRMS¹ international standards, KMG's proved and probable hydrocarbon reserves (2P) were 716 mln toe (5,551 mln boe) as of 31 December 2024. 2P reserves went down 2.4% year-on-year due to the impact of macroeconomic factors on subsoil users and a reduced profitability period of gas production at Karachaganak.

The annual assessment of reserves under the PRMS shows that the planned and actual measures to maintain KMG's reserve levels are monitored on a continuous basis. The proved reserves (1P) life is 15 years, exceeding the average for global oil majors (about 11 years). The reserves life in the 2P category (proved + probable) is 25 years.

The 2P reserve replacement ratio is 100 %.

Net reserves² under PRMS (as of 31 December 2024)

Reserves	Hydrocarbon reserves, mln boe			Hydrocarbon reserves, mln toe		
	2022	2023	2024	2022	2023	2024
Proved (1P)	3,775	3,943	3,497	486	507	452
Proved plus Probable (2P)	5,478	5,680	5,551	708	733	716
Proved plus Probable plus Possible (3P)	6,294	6,502	6,111	816	842	794

ABC1³ reserves in oil equivalent⁴ as of 31 December 2024

Reserves	Hydrocarbon reserves, mln boe			Hydrocarbon reserves, mln toe		
	2022	2023	2024	2022	2023	2024
ABC1 reserves	8,436	8,560	8,450	1,108	1,124	1,109

In 2024, KMG's liquid hydrocarbon (oil and condensate) reserves were

767 mln tonnes

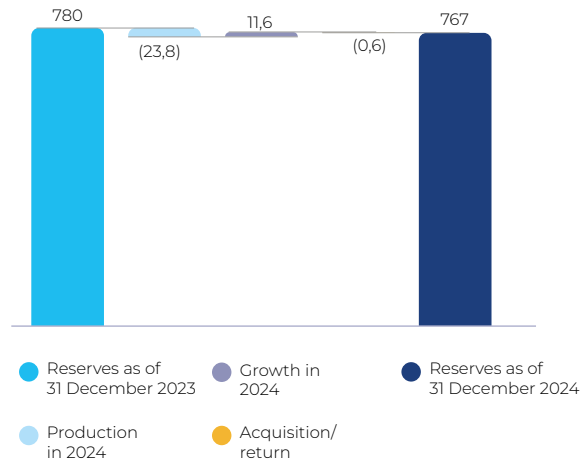
¹ Petroleum Resources Management System.

² Net Reserves are defined as the portion of gross reserves attributable to (1) the interest held by KMG after deducting all interests held by others, and (2) interests that are not held, but controlled by KMG..

³ A, B, C1 (ABC1) categories of oil and gas reserves are equivalent to proved reserves according to the Western classification, which means they can be recovered from the deposit with a high level of certainty.

⁴ Reserves in oil equivalent are a measure of total hydrocarbon reserves recalculating natural gas and gas condensate into oil equivalent.

Analysis of causes for a change in ABC1 reserves in 2024

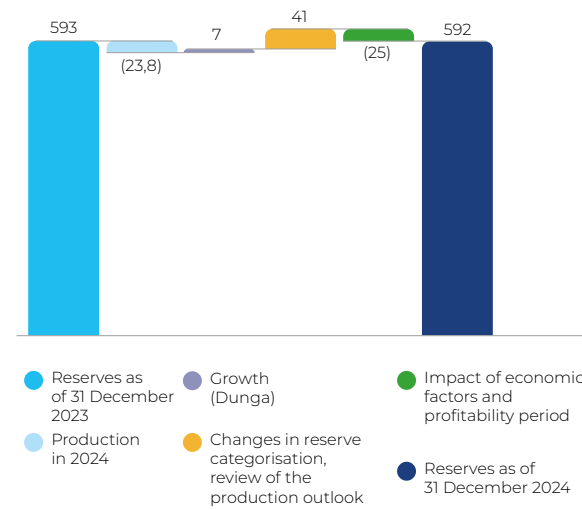


The annual evaluation of hydrocarbon (oil and condensate) reserves in accordance with the SPE-PRMS standards (2P reserves of around 592 mln tonnes) reflects trends and key changes in the Company's resource base. Actual production for the reporting period was 23.8 mln tonnes, which is key for the reserves sustainability analysis.

Main factors contributing to reserve replacement were as follows. KMG's share in the Dunga project of 7 mln tonnes was included in the reserves evaluation for the first time. On top of that, changes were made to the initial recoverable reserves along with the development and categorisation plans, which included accounting for interventions in wells in operation and reserve reclassification at Zhetybai, Karamandybas, and other oil companies. Adjustments to the expected Tengiz development figures were another major factor impacting total reserves.

Macroeconomic factors had a negative impact on reserves evaluation. Macro forecasts indicated a rise in the USD/KZT exchange rate from 460 to 470 and a slide in Brent price from USD 80 to 75 per bbl. Certain oil companies saw the share of export sales go down from 50 % to 38 %. Additional pressure came from adjusted forecasts for selling prices as well as higher transportation rates and associated costs.

Analysis of causes for a change in SPE-PRMS 2P reserves⁵ in 2024



Hence, despite macroeconomic headwinds and a shrinking exports share, the Company's resource base remained stable thanks to reserve replenishment supported by greenfield projects and streamlined development plans.



⁵ SPE-PRMS is an advanced PRMS designed to classify and evaluate hydrocarbon reserves.