

KEY 2021 FINANCIAL RESULTS¹

<p>In 2021, Revenue was</p> <p>KZT 5,839 BLN (USD 13,704 MLN)</p> <p>compared to KZT 3,625 bln (KZT 8,767 mln) in 2020</p>	<p>EBITDA amounted to</p> <p>KZT 1,609 BLN (USD 3,776 MLN)</p> <p>compared to KZT 810 bln (USD 1,960 mln) in 2020</p>	<p>Adjusted EBITDA amounted to</p> <p>KZT 1,256 BLN (USD 2,947 MLN)</p> <p>compared to KZT 664 bln (USD 1,607 mln) in 2020</p>	<p>Net profit for the period was</p> <p>KZT 1,197 BLN (USD 2,810 MLN)</p> <p>compared to KZT 172 bln (USD 416 mln) in 2020.</p>
<p>Free Cash Flow was</p> <p>KZT 669 BLN (USD 1,570 MLN)</p> <p>compared to KZT 50 bln (USD 121 mln) in 2020</p>	<p>Gross debt as at 31 December 2021 was</p> <p>KZT 3,746 BLN (USD 8,676 MLN),</p> <p>down 8.1% compared to KZT 4,078 bln (USD 9,690 mln) as at 31 December 2020</p>	<p>Net debt as at 31 December 2021 was</p> <p>KZT 2,204 BLN (USD 5,104 MLN),</p> <p>down 15% compared to KZT 2,594 bln (USD 6,162 mln) as at 31 December 2020</p>	<p>Net profit for the period attributable to the parent company's shareholders was</p> <p>KZT 1,216 BLN (USD 2,853 MLN)</p>

For more details see the Financial Statements section

Consolidated financial results according to IFRS

Indicator	Unit	2021	2020
Dated Brent, average ¹	USD/bbl	70,91	41,84
Average exchange rate	KZT/USD	426,06	413,26
Period-end exchange rate	KZT/USD	431,80	420,91
Revenue	KZT bln	5 839	3 625
	USD mln	13 704	8 767
Share in profit of JVs and associates	KZT bln	769	281
	USD mln	1 804	679
Net profit ²	KZT bln	1 197	172
	USD mln	2 810	416
Net profit for the period attributable to the parent company's shareholders	KZT bln	1 216	273
	USD mln	2 853	661
EBITDA ³	KZT bln	1 609	810
	USD mln	3 776	1 960
Adjusted EBITDA ⁴	KZT bln	1 256	664
	USD mln	2 947	1 607
Free Cash Flow ⁵	KZT bln	669	50
	USD mln	1 570	121
Gross debt ⁶	KZT bln	3 746	4 078
	USD mln	8 676	9 690
Net debt ⁷	KZT bln	2 204	2 594
	USD mln	5 104	6 162

¹ For reader convenience, amounts in USD were converted at the average exchange rate for the applicable period (average exchange rates for 2021 and 2020 were 426.06 and 413.46 KZT/USD, respectively; period-end exchange rates as at 31 December 2021 and 31 December 2020 were 431.80 and 420.91 KZT/USD, respectively).

² Net profit includes Net profit after income tax for the year from discontinued operations of JSC NC QazaqGaz (formerly – JSC KazTransGas).

³ EBITDA = revenue plus share in profit from JVs and associates, net, minus cost of purchased oil, gas, oil products and other materials minus production expenses minus G&A expenses minus transportation and selling expenses minus taxes other than income tax

⁴ Adjusted EBITDA = revenue minus cost of purchased oil, gas, oil products and other materials minus production costs minus G&A expenses minus transportation and selling expenses minus taxes other than income tax plus dividends received from joint ventures and associates.

⁵ Free cash flow = cash flow from operating activities (including dividends received from joint ventures and associates) minus acquisition of property, plant and equipment, intangible assets, investment properties, exploration and evaluation assets.

⁶ Total debt includes Bonds and Borrowings (current and non-current). Guarantees issued are not included in the calculation.

⁷ Net debt = Bonds plus Borrowings minus cash and cash equivalents minus short-term and long-term bank deposits. Guarantees issued are not included in the calculation.

Consolidated statement of profit and loss

Indicator	Unit	2021	2020	Change
Revenue and other income				
Revenue	KZT mln	5 838 793	3 624 964	2 213 829
Share in profit from joint ventures and associates, net	KZT mln	768 733	280 815	487 918
Finance income	KZT mln	84 599	87 987	(3 388)
Gain on sale of joint ventures	KZT mln	19 835	0	19 835
Other operating income	KZT mln	30 779	19 020	11 759
Total revenue and other income	KZT mln	6 742 739	4 012 786	2 729 953
Costs and expenses				
Cost of purchased oil, gas, oil products and other materials	KZT mln	(3 596 491)	(1 901 236)	(1 695 255)
Production expenses	KZT mln	(693 031)	(656 178)	(36 853)
Taxes other than income tax	KZT mln	(428 639)	(254 322)	(174 317)
Depreciation, depletion and amortisation	KZT mln	(322 068)	(317 427)	(4 641)
Transportation and selling expenses	KZT mln	(131 912)	(137 144)	5 232
General and administrative expenses	KZT mln	(148 478)	(146 625)	(1 853)
Impairment of property, plant and equipment, exploration and evaluation assets, intangible assets and assets classified as held for sale	KZT mln	(20 724)	(243 893)	223 169
Exploration expenses	KZT mln	(79 083)	(19 807)	(59 276)
Impairment of investments in joint venture and associate	KZT mln	(64)	(30 654)	30 590
Finance costs	KZT mln	(249 265)	(265 372)	16 107
Net foreign exchange gain/(loss)	KZT mln	17 781	(16 189)	33 970
Other expenses	KZT mln	(24 510)	(28 094)	3 584
Total costs and expenses	KZT mln	(5 676 484)	(4 016 941)	(1 659 543)
Profit/(loss) before income tax	KZT mln	1 066 255	(4 155)	1 070 410
Income tax expenses	KZT mln	(221 393)	(85 276)	(136 117)
Profit/(loss) for the year from continuing operations	KZT mln	844 862	(89 431)	934 293
Discontinued operations				
Profit after income tax for the year from discontinued operations	KZT mln	352 478	261 328	91 150
Net profit for the year	KZT mln	1 197 340	171 897	1 025 443
Net profit/(loss) for the year attributable to:				
the parent company's shareholders	KZT mln	1 215 561	273 237	942 324
the non-controlling interest	KZT mln	(18 221)	(101 340)	83 119
	KZT mln	1 197 340	171 897	1 025 443

Revenue

Revenue for 2021 was KZT 5,839 bln (USD 13,704 mln), up 61.1% year-on-year. The uptrend was mainly attributable to the growth of Brent crude price by 69.5% year-on-year, tenge's depreciation against US dollar by 3.0% year-on-year, and higher volumes of oil trading and sales by KMG International N.V. (KMGI). The revenue growth was curbed by production cuts at certain fields in accordance with OPEC+ deal and natural decline in production from mature fields.

Share in profit from joint ventures and associates

Share in profit from joint ventures and associates more than doubled in 2021, totalling KZT 769 bln (USD 1,804 mln) mainly on the back of an increase in the profit from Tengizchevroil LLP (TCO) by KZT 268 bln (USD 617 mln), KMG Kashagan B.V. (Kashagan) by KZT 95 bln (USD 224 mln), JSC Mangistaumunaigaz (MMG) by KZT 63 bln (USD 148 mln), and KazRosGas LLP by KZT 20 bln (USD 47 mln).

Costs

In the reporting period, the cost of purchased oil, gas, oil products and other materials amounted to KZT 3,596 bln (USD 8,441 mln), reflecting an increase of 89.2% year-on-year, to a great extent due to the growth of average oil price and the tenge's depreciation against US dollar.

Other expenses

In 2021, production expenses increased slightly year-on-year to KZT 693 bln (USD 1,627 mln).

Transportation and selling expenses totalled KZT 132 bln (USD 310 mln), down 3.8% year-on-year.

General and administrative expenses increased by 1.3% to KZT 148 bln (USD 348 mln).

Taxes other than income tax increased by 68.5% to KZT 429 bln (USD 1,006 mln) mainly as a result of higher expenses on rent tax, export customs duty and mineral extraction taxMET as a result of higher oil prices.

Payroll expenses in 2021 amounted to KZT 386 bln (USD 907 mln), showing a 4.2% year-on-year increase, and were reflected in production expenses, transportation and selling expenses, and general and administrative expenses in the consolidated statement of comprehensive income.

Finance costs in 2021 were KZT 249 bln (USD 585 mln), down 6.1% year-on-year, mainly due to early full repayment of bonds due 2022 and 2023.

Impairment of assets

According to the assessment of 2021, the loss on impairment of assets amounted to KZT 21 bln (USD 49 mln), down 92% year-on-year (from KZT 244 bln or USD 590 mln).

The amount of loss on impairment includes the impairment of KMG International's assets of KZT 8 bln (USD 19 mln), KZT 4.5 bln (USD 10 mln) for Sunkar, Barys and Berkut

self-propelled barges, and KZT 8 bln (USD 19 mln) for other assets. The loss on impairment of assets was significantly lower in 2021, as no signs of impairment of property, plant and equipment, intangible assets, exploration and evaluation assets were identified at JSC Embamunaigas.

Net profit

In the reporting period, the Company's net profit amounted to KZT 1,197 bln (USD 2,810 mln) compared to KZT 172 bln (USD 416 mln) in 2020, showing a significant increase amid higher average oil price, growing revenues and incomes from the share in profit from joint ventures and associates, as well as zero depreciation of property, plant and equipment in 2021.

Net profit for the period attributable to the parent company's shareholders was KZT 1,216 bln (USD 2,853 mln).

CAPEX

In 2021, CAPEX on an accrual basis in the Company's segment reporting was KZT 414 bln (USD 972 mln), down 8.8% year-on-year.

EBITDA

Consolidated EBITDA increased by 98.6% year-on-year to KZT 1,609 bln (USD 3,776 mln) compared to KZT 810 bln (USD 1,960 mln) in 2020.

Adjusted EBITDA increased by 89% to KZT 1,256 bln (USD 2,947 mln) compared to KZT 664 bln (USD 1,607 mln) in 2020.

Given the vertically integrated operations of KMG, we analyse EBITDA broken down by the segments below. We analyse segmented information according to IFRS. Segment performance is evaluated

based on revenues and net profit. The Group's operating segments have their own structure and management according to the type of produced goods and provided services. Moreover, all segments are strategic directions of the business, which offer different types of goods and services in different markets. The Company's activity consists of four main operating segments: oil and gas exploration and production, oil transportation, refining and sales of crude oil and refined products, NC KMG's Corporate Centre, etc. (oilfield service companies and other insignificant companies). KMG presents the Corporate Centre's

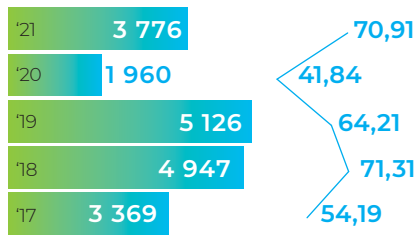
activities separately, since NC KMG not only performs the functions of the parent company, but also carries out operational activities (processing of crude oil at Atyrau and Pavlodar refineries, and further sale of oil products to both domestic and export markets).

The key factor that contributed to increase in EBITDA by segment in 2021 was EBITDA increase in Oil and Gas Exploration and Production by KZT 652 bln (USD 1,501 mln) driven by oil price growth.

Segmented EBITDA for 2020 and 2021

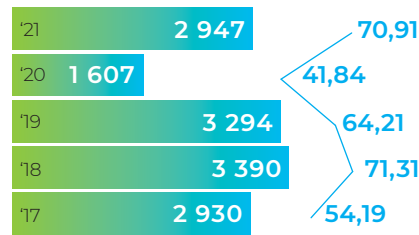
Segments	Unit	2021	2020	Δ
Oil and gas exploration and production	KZT mln	1 041 811	390 221	651 590
	USD mln	2 445	944	1 519
	%	65	48	17 n.n.
Oil transportation	KZT mln	211 356	226 838	-15 482
	USD mln	496	549	-53
	%	13	28	15 n.n.
Refining and sales of crude oil and oil products	KZT mln	289 422	214 839	74 583
	USD mln	679	520	160
	%	18	27	-9 n.n.
Corporate Centre	KZT mln	71 449	(25 077)	96 526
	USD mln	168	(61)	228
	%	4	-3	8 n.n.
Others	KZT mln	13 359	(5 346)	18 705
	USD mln	31	(13)	44
	%	1	-1	2 n.n.
Elimination	KZT mln	(18 422)	8 799	(27 221)
	USD mln	(43)	21	(65)
	%	-1	1	-2 n.n.
EBITDA	KZT mln	1 608 975	810 274	798 701
	USD mln	3 776	1 960	1 817

EBITDA evolution in the last five years , USD mln



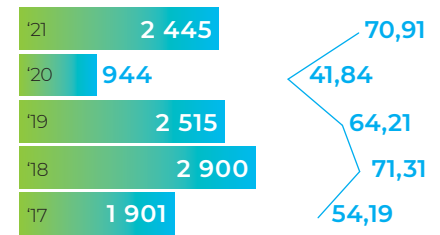
■ EBITDA
— Dated Brent, average

Adjusted EBITDA evolution in the last five years



■ Adjusted EBITDA
— Dated Brent, average

Dynamics of adjusted EBITDA of the oil and gas exploration and production segment over the past 5 years



■ Upstream EBITDA
— Dated Brent, average

Cash flows

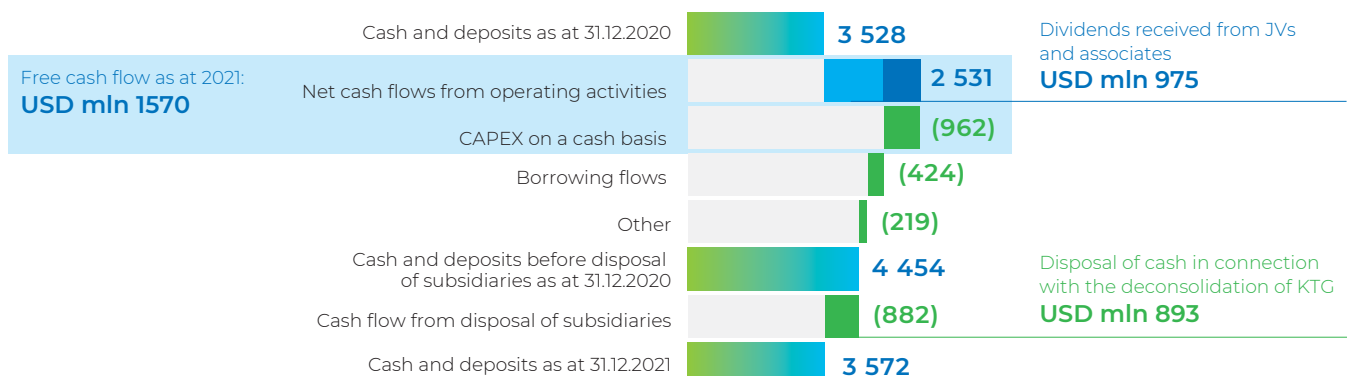
Indicator	Unit	2021	2020	Change
Net cash flows from operating activities	KZT mln	1 078 497	446 533	631 964
Net cash flows used in investing activities	KZT mln	(988 694)	(205 611)	(783 083)
Net cash flows used in financing activities	KZT mln	(282 533)	(245 227)	(37 306)
Effects of exchange rate changes	KZT mln	22 851	85 341	(62 490)
Change in allowance for expected credit losses	KZT mln	(136)	376	(512)
Net change in cash and cash equivalents	KZT mln	(170 015)	81 412	(251 427)
Net change in cash and cash equivalents	USD mln	(399)	197	(596)

Cash and cash equivalents

Consolidated cash and cash equivalents, including cash on deposit, increased marginally by 3.9% year-on-year to KZT 1,542 bln (USD 3,572 mln) as at 31 December 2021. The increase in cash and cash equivalents is mainly due to a positive net cash flow

from operating activities in the amount of KZT 1,078 bln (USD 2,531 mln), which was partly offset by outflow of cash due to deconsolidation of JSC KazTransGas in the amount of KZT 380,438 mln. US dollar-denominated consolidated cash and cash equivalents increased by 1.3% to USD 3,572 mln compared to USD 3,528 mln as at 31 December 2020.

Cash flows, USD mln



Dividends received

The Company is a parent company of the Group and receives dividends from its subsidiaries and associates, JVs and associated companies.

The Company received dividends in the amount of KZT 415 bln (USD 976 mln) and KZT 135 bln (USD 326 mln) in 2021 and 2020, respectively.

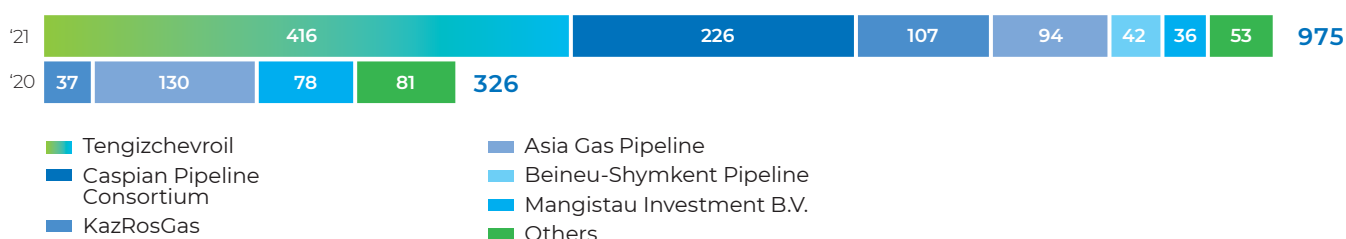
In 2021, dividends from Tengizchevroil

amounted to KZT 177 bln (USD 416 mln), from Caspian Pipeline Consortium – KZT 96 bln (USD 226 mln), and from KazRosGas LLP – KZT 46 bln (USD 107 mln).

Dividends paid

In May 2021, KMG paid dividends in the amount of KZT 56 bln (USD 131 mln), including dividends paid to Samruk-Kazyna and KZT 50 bln (USD 117 mln) paid to the National Bank of the Republic of Kazakhstan in line with Samruk-Kazyna's resolution dated 4 May.

Dividends received



Statement of financial position

Item	Unit	2021	2020	Change
Assets				
Property, plant and equipment	KZT mln	3 405 980	4 369 745	(963 765)
Long-term bank deposits	KZT mln	56 058	56 528	(470)
Long-term bank deposits	KZT mln	6 550 384	6 471 021	79 363
Other non-current assets	KZT mln	533 303	1 279 570	(746 267)
Short-term bank deposits	KZT mln	510 513	282 472	228 041
Cash and cash equivalents	KZT mln	975 849	1 145 864	(170 015)
Other current assets	KZT mln	1 619 379	1 001 569	617 810
Assets classified as held for sale	KZT mln	795	46 518	(45 723)
Total assets	KZT mln	13 652 261	14 653 287	(1 001 026)
Total assets	USD mln	31 617	34 813	(3 196)
Equity and liabilities				
Total equity	KZT mln	8 158 681	8 636 679	(477 998)
Total equity	USD mln	18 895	20 519	(1 624)
Non-current liabilities				
Non-current borrowings	KZT mln	3 261 347	3 716 892	(455 545)
Other non-current liabilities	KZT mln	859 949	966 341	(106 392)
Current borrowings	KZT mln	484 980	361 556	123 424
Other current liabilities	KZT mln	887 304	971 819	(84 515)
Total liabilities	KZT mln	5 493 580	6 016 608	(523 028)
Total liabilities	USD mln	12 723	14 294	(1 572)
Total equity and liabilities	KZT mln	13 652 261	14 653 287	(1 001 026)
Total equity and liabilities	USD mln	31 617	34 813	(3 196)

Debt management

KMG's gross debt is represented by bonds and loans. The debt portfolio is mainly formed in US dollars – the currency of principal incomes. Accordingly, the “organic” hedging of currency risk is achieved without the need to use derivative financial instruments.

Gross debt

Gross debt¹ as at 31 December 2021 was KZT 3,746 bln (USD 8,676 mln), down 8.1% year-on-year in tenge terms (down 10.5% in US dollars) as a result of deconsolidation of JSC KazTransGas.

Gross debt including guarantees as at 31 December 2021 was KZT 3,748 bln (USD 8,680 mln), down 13.2% year-on-year in tenge (down 15.4% in US dollars).

To reduce the impact of FX risk on the Company's leverage, we entered into a number of deals to refinance loans. During the reporting period, Atyrau Refinery refinanced

the following loans denominated in foreign currency:

- in January 2021, Atyrau Refinery made a full early repayment of a USD 126 mln loan from JSC Development Bank of Kazakhstan by borrowing KZT 54 bln from JSC Halyk Bank;
- in November 2021, Atyrau Refinery made a provision for a full early repayment of a USD 518 mln loan from The Export-Import Bank of China (Eximbank) in January 2022 by borrowing RUB 38 bln from PJSC VTB;
- in December 2021 Atyrau Refinery made a full early repayment of a USD 119 mln loan from Japan Bank for International Cooperation (JBIC) by borrowing KZT 56 bln from JSC Halyk Bank.

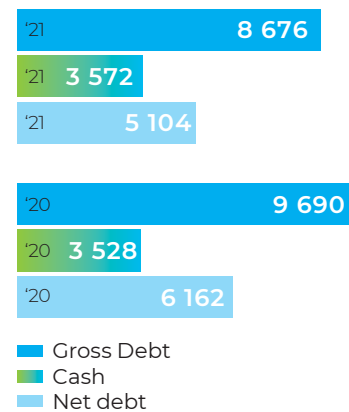
Gross debt after the full early repayment of the loan from the Export-Import Bank of China (Eximbank) in January 2022 amounted to KZT 3,524 bln (USD 8,158 mln).

KMG International obtained short-term working capital loans worth USD 50 mln from Cargill

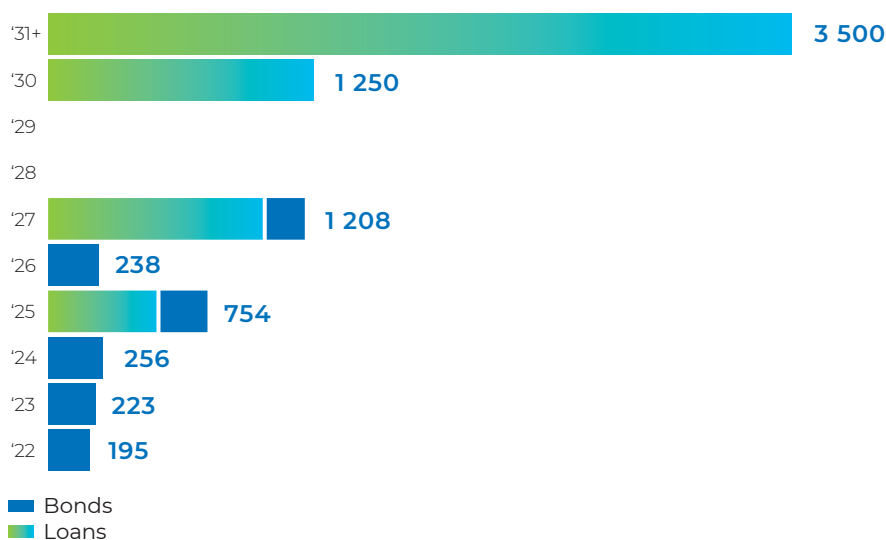
and a USD 46 mln loan from Banque de Commerce et de Placements. KMG International also partially repaid a USD 71 mln short-term loan from ING Bank B.V., including the fee.

Net debt

Net debt as at 31 December 2021 was KZT 2,204 bln (USD 5,104 mln), down 15% in tenge terms compared to 31 December 2019.



Debt repayment schedule at par value, USD mln



¹ Excluding guarantees.