

NC QazaqGaz JSC

**Consolidated Financial Statements
in accordance with IFRS Accounting Standards
and Independent Auditor's Report**

31 December 2025

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Independent Auditor's Report

To the Shareholder, Board of Directors and Management of NC QazaqGaz JSC

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of NC QazaqGaz JSC (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2025, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the ethical requirements of the Law on Audit Activity that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Republic of Kazakhstan and the IESBA Code.

Our audit approach

Overview



Overall Group materiality: Kazakhstani Tenge (“Tenge”) 13,800 million, which represents approximately 5% of profit before tax.

- Group audit scope included the Company, four subsidiaries and two joint arrangements in Kazakhstan.
- Our audit scope addressed 99% of the Group’s revenues and 100% of the Group’s absolute value of underlying profit before tax.
- Impairment assessment of non-current assets
- Accounting for the expected sale of GPC Investment

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of

misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	Tenge 13,800 million
How we determined it	Approximately 5% of profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users of the consolidated financial statements and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the key audit matter

Impairment assessment of non-current assets

Notes 3, 6, 7, 8 to the consolidated financial statements

In 2025, the Group's profitability was affected by an increase in gas purchase prices and changes in the economic environment in which the Group operates. These indicate that the Group's non-current assets with the carrying value of Tenge 2,005,982 million as of 31 December 2025 may be impaired (property, plant and equipment – Tenge 1,975,855 million, exploration and evaluation assets – Tenge 2,807 million, right-of-use assets – Tenge 22,267 million, intangible assets – Tenge 5,053 million). The recoverable amount of the assets was determined as their value in use. Determining the recoverable amount requires significant management judgement and assumptions in respect of projected future cash flows, discount rates and level of main production costs. These projections are exposed to significant variability due to uncertain market conditions.

Based on the results of the impairment assessment performed by the management, the Group did not recognize an impairment loss as of 31 December 2025.

We focused on this area due to the significance of the carrying values of the assets, and the fact that there is significant judgement involved in determining the recoverable amounts.

Our procedures included:

- We obtained an understanding of internal processes and controls and analysed the methodology applied by the management in assessing the non-current assets impairment estimation for compliance with IAS 36.
- We obtained, understood and evaluated the impairment models prepared by management, and also verified the mathematical accuracy of the calculations. We performed the evaluation of the methodology and assumptions used in the models, such as domestic sales tariffs, export sales prices, transportation and production volumes, inflation rates, country specific risks and foreign exchange rates.
- We involved our valuation experts to assist in the analysis of discounting rates applied by management in impairment models.
- We compared operating and future capital expenditures and the revenue projections to the latest approved business plans and budgets.
- We compared the key assumptions used within the impairment models to the historic performance of the respective CGUs.
- We performed a sensitivity analysis over the key assumptions in order to assess their potential impact on impairment results and ranges of possible outcomes of the recoverable amounts.
- We assessed the related disclosures in Notes 3, 6, 7, and 8 to the consolidated financial statements for compliance with the requirements of IAS 36.

Accounting for the expected sale of GPC Investment

Note 5 to the consolidated financial statements

On 14 February 2024, the Group acquired a 100% interest in GPC Investment LLP (hereinafter – "GPCI") from "Sovereign Wealth Fund "Samruk-Kazyna" JSC, the parent company, through the issuance of ordinary shares for a total amount of Tenge 38,737 million. The acquisition of GPCI was accounted for as an acquisition of a subsidiary from parties under common control. Subsequently, the Group plans to sell a 75% interest in GPCI by 31 December 2026, retaining a 25% interest.

The classification and measurement of GPCI as a disposal group in accordance with IFRS 5, including the assessment of the probability of sale and the valuation of the disposal group, requires significant management judgement.

We focused on this transaction due to the significance of the carrying values of the disposal group assets classified as held for sale and the fact that it involves significant accounting judgements and estimates.

Our procedures included:

- We obtained and analysed management's assessment regarding the classification of GPCI as a disposal group in accordance with IFRS 5, and also evaluated whether the relevant criteria were met as at 31 December 2025
 - We analysed the draft sale and purchase agreement between the Group and Urbacon Concessions Investments WLL regarding the expected disposal of the 75% interest in GPCI.
 - We analysed the correspondence between the Group and Urbacon Concessions Investments WLL to confirm the ongoing negotiations in order to assess whether the sale was highly probable as at the reporting date.
 - We discussed with management their plans, the likelihood of completing the transaction within the intended timeframe, and the analysis of the transfer of control over GPCI.
 - We compared the fair value of the disposal group with its carrying value as at 31 December 2025.
 - We engaged our technical accounting specialists to assist in the assessment of the accounting treatment and disclosures related to the expected disposal of the 75% interest in GPCI.
 - We assessed the relevant disclosures in Note 5 to the Group's consolidated financial statements for compliance with the requirements of IFRS 5.
-

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group engagement team or component auditors.

The Group's gas transportation and production facilities are located in the Republic of Kazakhstan. The assets and operations of the Group are spread amongst twenty subjects (components), including seven jointly controlled entities. Out of these, we have identified seven components as material components, including the Company, its four subsidiaries and two joint ventures.

For all material components we carried out a full scope audit of the financial information of the components, which the Group uses for the preparation of the consolidated financial statements.

In general, the scope of our audit covered 99% of total assets, 99% of total revenue and 100% of the absolute value of profit before tax. The procedures performed have enabled us to obtain sufficient appropriate audit evidence in relation to the consolidated financial statements of the Group and provide a basis for our audit opinion on it.

Other information

Management is responsible for the other information. The other information comprises the Annual report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Almaz Sadykov.

On behalf of PricewaterhouseCoopers LLP

PricewaterhouseCoopers



Approved by:

Azamat Konratbaev
Managing Director
PricewaterhouseCoopers LLP
(General State License of the Ministry of Finance of the Republic of Kazakhstan #0000005 dated 21 October 1999)

Signed by:



Almaz Sadykov
Auditor in charge
(Qualified Auditor’s Certificate #МФ-0000745 dated 8 February 2019)

27 February 2026
Astana, Kazakhstan

NC QazaqGaz JSC
Consolidated Statement of Financial Position as at 31 December 2025

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024 (restated)*
ASSETS			
Non-current assets			
Property, plant and equipment	6	1,975,855	1,593,607
Exploration and evaluation assets		2,807	5,590
Right-of-use assets	7	22,267	44,540
Intangible assets		5,053	4,405
Investments in associates		9,478	-
Investments in joint ventures	8	1,037,959	1,071,298
Advances paid for non-current assets		3	1,332
VAT recoverable	10	115,815	62,712
Deferred tax assets	29	45,617	28,450
Other non-current financial assets	9	4,836	5,029
Other non-current assets		1,563	1,549
Bank deposits		1,896	2,358
		3,223,149	2,820,870
Current assets			
Inventories	12	81,952	91,011
Trade and other receivables	13	254,712	237,132
Advances paid		429	1,882
Loans to related party	30	2,049	-
VAT recoverable and prepaid taxes other than income tax	10	170,872	205,544
Corporate income tax prepaid	29	57,444	54,476
Other current assets		1,019	1,081
Other current financial assets	9	3,493	63,269
Bank deposits		4,065	1,600
Cash and cash equivalents	11	542,804	606,625
		1,118,839	1,262,620
Assets classified as held for sale		324,337	239,865
		1,443,176	1,502,485
TOTAL ASSETS		4,666,325	4,323,355

The accompanying notes on pages 6 to 60 are an integral part of these consolidated financial statements.

NC QazaqGaz JSC
Consolidated Statement of Comprehensive Income for the year ended 31 December 2025

<i>In millions of Tenge</i>	Note	2025	2024
Revenue from contracts with customers	22	1,349,814	1,259,400
Cost of sales	23	(1,391,996)	(1,289,658)
Gross loss		(42,182)	(30,258)
Management fee	24,30	17,105	47,568
General and administrative expenses	25	(52,523)	(43,844)
Net expected credit losses		(4,323)	(5,265)
Other operating income		7,624	4,676
Other operating expenses		(7,050)	(4,416)
Operating loss		(81,349)	(31,539)
Interest income calculated using the effective interest method	26	81,481	43,096
Finance income		-	7
Finance costs	27	(40,121)	(40,629)
Share of profit of joint ventures and associate companies		307,663	371,144
Foreign exchange gain/(loss), net	28	4,653	(39,644)
Profit before income tax		272,327	302,435
Income tax expenses	29	(6,560)	(2,969)
Profit for the year from continuing operations		265,767	299,466
Discontinued operations			
Income/(loss) after tax from discontinued operations	5	5,085	(10,373)
Net profit for the year		270,852	289,093
Other comprehensive income			
<i>Other comprehensive income that may be reclassified subsequently to profit or loss</i>			
Unrealized loss on revaluation of financial assets measured at fair value through other comprehensive income		(80)	(107)
Exchange differences on translation of foreign operations		1,044	642
Net comprehensive income that may be reclassified subsequently to profit or loss		964	535
<i>Other comprehensive loss that will not be reclassified subsequently to profit or loss</i>			
Actuarial loss on defined benefit plant		(17)	(32)
Income tax benefit	29	3	6
Net comprehensive loss that will not be reclassified subsequently to profit or loss		(14)	(26)
Other comprehensive income for the year less income tax		950	509
Total comprehensive income for the year less income tax		271,802	289,602
Earnings per share in Tenge			
Basic and diluted	14	723.02	771.72
Basic and diluted, from continuing operations		709.45	799.41
Basic and diluted, from discontinued operations		13.57	(27.69)

Z.Z. Mirmanov
Deputy Chairman of the Management
Board on Economics and Finance




Y.N. Bokayev
Chief Accountant

The accompanying notes on pages 6 to 60 are an integral part of these consolidated financial statements.

NC QazaqGaz JSC

Consolidated Statement of Changes in Equity for the year ended 31 December 2025

<i>In millions of Tenge</i>	Note	Share capital	Additional paid-in capital	Foreign currency translation reserve	Other reserves	Retained earnings	Total
As at 31 December 2023		447,875	25,946	2,158	-	2,026,909	2,502,888
Net profit for the year		-	-	-	-	289,093	289,093
Other comprehensive income for the year		-	-	642	(107)	(26)	509
Total comprehensive income for the year		-	-	642	(107)	289,067	289,602
Issue of shares	14	48,031	-	-	-	(342)	47,689
Dividends	14	-	-	-	-	(22,810)	(22,810)
Other transactions with the Shareholder	14	-	12,543	-	-	-	12,543
As at 31 December 2024		495,906	38,489	2,800	(107)	2,292,824	2,829,912
Net profit for the year		-	-	-	-	270,852	270,852
Other comprehensive income for the year		-	-	1,044	(80)	(14)	950
Total comprehensive income for the year		-	-	1,044	(80)	270,838	271,802
Issue of shares	14	244,232	-	-	-	(44,006)	200,226
Other transactions with the Shareholder	14	-	9,389	-	-	-	9,389
As at 31 December 2025		740,138	47,878	3,844	(187)	2,519,656	3,311,329


 Z.Z. Mirmanov
 Deputy Chairman of the Management Board on Economics and Finance




 Y.N. Bokayev
 Chief Accountant

1 Corporate Information

The accompanying consolidated financial statements include the financial statements of NC QazaqGaz JSC (the "Company", "QG" or the "Parent company") and its subsidiaries (together referred to as the "Group").

QG is a joint stock company established in accordance with the Decree of the Government of the Republic of Kazakhstan (the "Government") No.173 dated 5 February 2000 and registered as a closed joint stock company on 13 March 2000. On 9 June 2004, the Company was re-registered as a joint stock company under the laws of the Republic of Kazakhstan. The Group's head office is registered at 12, Alikhan Bokeykhan Avenue, Yesil district, Astana, Republic of Kazakhstan.

As at 31 December 2024, "Sovereign Wealth Fund "Samruk-Kazyna" JSC ("Samruk-Kazyna" or "Sole Shareholder") is the sole shareholder of QG, and all subsidiaries of Samruk-Kazyna are considered as related parties of the Company and the Group. The ultimate controlling party of QG is the Government of the Republic of Kazakhstan.

In accordance with the Resolution of the Government of the RK No. 914 dated 5 July 2012, NC KazTransGas JSC was determined a national operator in gas and gas supply. According to the Decree of the Government of the Republic of Kazakhstan dated 30 November 2021 No. 852, KazTransGas was given the status of a National Company. According to the Decree of the Government of the Republic of Kazakhstan No. 982 dated 31 December 2023, NC KazTransGas JSC was renamed into NC QazaqGaz JSC. The Company's main objective as a national operator is to reliably satisfy Kazakhstan's domestic commercial gas needs.

The main activities of the Group also include the following:

- managing investment activities for the overall development of the main gas pipeline system within Kazakhstan;
- managing investment activities for the development of gas fields within Kazakhstan;
- providing consultancy services in research and development for gas industry;
- sale of gas in foreign and domestic markets;
- participation in the development and implementation of the state program for the development of gas industry.

The Group's operating activities are regulated by the Law of the Republic of Kazakhstan "On Natural Monopolies" (the "Law") as the Group is a natural monopolist in gas transportation and sales in the domestic market. According to the Law, the Group's tariffs related to gas transportation and sales in the domestic market are approved by the Committee of the Republic of Kazakhstan for the Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan.

These consolidated financial statements were authorised for issue by the Deputy Chairman of the Management Board on Economics and Finance and the Chief Accountant on 27 February 2026.

In 2025, audit and non-audit services provided to the Group by the current auditor PricewaterhouseCoopers LLP amounted to Tenge 242 million and Tenge 16 million (2024: Tenge 246 million and nil), respectively.

Exploration and production of hydrocarbons

In December 2000, the Group signed a contract with the Investment agency of the Republic of Kazakhstan for the exploration and production of hydrocarbons on North-Ucharal, Ucharal-Kempirtobe territories and blocks XXXIII-48, XXXIII-49, XXXIV-49, XXXIV-50, XXXIV-51, XXXV-50, including Amangeldy, Anabai, Airakty and Kumyrlı gas fields in Zhambyl oblast, South Kazakhstan (the "Hydrocarbon Agreement").

The Group started production and sale of gas at Amangeldy gas field in November 2003, at the Zharkum field in December 2014 and at the Anabay field in November 2023. In 2023, the Group also concluded a Contract for Securing the Production Site of the Barkhannaya Field. The Barkhannaya field was commissioned on 26 December 2025.

In 2024, the Group has been awarded a Contract for Exploration and Production of Hydrocarbons for Complex Projects at the Maldybai Site in the Zhambyl Region of the Republic of Kazakhstan. The term of the Contract is combined and consists of an exploration period of eighteen (18) years and a production period of twenty-five (25) years.

Under the Joint Operating Agreement dated 30 July 2024 between QazaqGaz and KOR Oil Company JSC ("KOR"), the Group, together with Bozoy Operating LLP, became parties to the Contract for Exploration and Production of Hydrocarbons for Complex Projects in the Shalkar Area in the Aktobe Region. On 6 January 2025, Shalqar Energy LLP, the operating company was registered jointly with Bozoy Operating LLP with a 50% to 50% participation share, which was founded to carry out all subsoil use operations. The Group accounts for «Shalqar Energy» LLP as a joint operation in accordance with IFRS 11 "Joint Arrangements."

1 Corporate Information (Continued)

During 2025, the Group also signed contracts for hydrocarbon exploration and production at the Akkuduk site with KOR and the Severny-2 site with KazAzot JSC. Details are provided in Note 31.

According to the terms of the Hydrocarbon Agreement, the Group has the right to relinquish any of the block areas unless commercially viable hydrocarbon reserves are discovered.

2 Basis of Preparation

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

The consolidated financial statements have been prepared under the historical cost convention, except for assets and liabilities measured at fair value as described in the accounting policies and notes to these consolidated financial statements. All values in these consolidated financial statements are rounded to the nearest millions, unless otherwise stated.

The consolidated financial statements have been prepared based on a going concern basis. To assess this assumption, the Group performed a liquidity forecast based on various stress tests to ensure that it continues to apply the going concern principle in preparing these consolidated financial statements.

Basis of consolidation

The financial statements of the subsidiaries have been prepared for the same reporting period as the Parent company's financial statements, using consistent accounting policies for all entities of the Group. All intra-group balances, transactions, unrealized gains and losses, and cash flows resulting from intra-group transactions and dividends were fully eliminated.

Subsidiaries

As at 31 December 2025 and 31 December 2024, the Company had ownership interest in the following companies included in the consolidated financial statements:

Name	Place of incorporation	Principal activities	Ownership interest	
			2025	2024
Intergas Central Asia JSC (ICA)	Kazakhstan	Transportation and storage of gas and rendering technical services for gas pipelines in Kazakhstan	100%	100%
QG Aimaq JSC (QG Aimaq)	Kazakhstan	Sale of gas to local power distributors, legal entities and individuals	100%	100%
QazaqGaz Onimderi LLP	Kazakhstan	Transportation services	100%	100%
Exploration and Production QazaqGaz (EP QazaqGaz)	Kazakhstan	Production of natural gas and gas condensate	100%	100%
QazaqGaz Scientific and Technical Center LLP (QazaqGaz STC)	Kazakhstan	Engineering design, research activities	100%	100%
KazTransGas Bishkek LLC	Kyrgyzstan	Repair and renewal operations and modernization of the main gas pipeline "Bukhara gas area - Tashkent - Bishkek - Almaty"	100%	100%
KTG Finance B.V.	Netherlands	Financial activities	100%	100%
KazMunayGas Service-NS JSC	Kazakhstan	Construction and operation of Golf Club	100%	100%
Tegis Munay LLP (Tegis Munay)	Kazakhstan	Production of natural gas	100%	100%
Mangyshlak Munay LLP (Mangyshlak Munay)	Kazakhstan	Geological exploration and surveys	100%	100%
AsiaGas Chundja LLP (AsiaGas Chundja)	Kazakhstan	Transportation and sales of gaseous fuels via pipelines, design and operation of gas supply facilities, oil pipelines and petrochemical plants	100%	100%
GPC Investment LLP (GPCI)	Kazakhstan	Construction of a gas processing plant	100%	100%

In 2024, KazTransGas Aimak JSC rebranded and was renamed to QazaqGaz Aimaq JSC.

On 14 February 2024, ordinary shares of NC QazaqGaz JSC in the quantity of 1,000 (one thousand) shares were placed at the offering price of Tenge 38,737,143 under the preemptive purchase right by transferring 100% of the share in GPC Investment LLP ("GPCI") in accordance with Transfer Agreement between Samruk-Kazyna JSC and NC QazaqGaz JSC for a total of Tenge 38,737 million. On 16 February 2024, the state re-registration of 100% of the share in GPCI to NC QazaqGaz JSC was completed.

2 Basis of Preparation (Continued)

On 7 October 2024, an agreement was signed on the transfer of 100% of the share in the authorized capital of AsiaGas Chundja LLP (“AsiaGas Chundja”) between Samruk-Kazyna JSC and NC QazaqGaz JSC. On 9 October 2024, ordinary shares of NC QazaqGaz JSC in the quantity of 1,000 (one thousand) shares were placed at an offering price of Tenge 9,294,167 per ordinary share for a total amount of Tenge 9,294 million to the Sole Shareholder.

Investments in joint ventures and associate companies

As at 31 December 2025 and 31 December 2024, the Group had interests in the following joint ventures and associate companies which are accounted for in the consolidated financial statements using the equity method:

Name	Place of incorporation	Principal activities	Ownership interest	
			31 December 2025	31 December 2024
Asian Gas Pipeline LLP (AGP)	Kazakhstan	Construction and operation of Kazakhstan-China gas pipeline	50%	50%
Beineu-Shymkent Gas Pipeline LLP (BShP)	Kazakhstan	Construction and operation of Beineu-Bozoi-Shymkent gas pipeline	50%	50%
AvtoGaz LLP (AG)	Kazakhstan	Organization, operation, construction and maintenance of gas filling compressor stations	50%	50%
Otan Gas LLP (OG)	Kazakhstan	Construction of gas processing plant	50%	50%
Private company Beineu-Bozoi-Shymkent 2 Ltd.	Kazakhstan	Construction and operation of the second line of the Beineu-Bozoi-Shymkent gas pipeline	50%	50%
Private company CS-14-Qostanay Ltd.	Kazakhstan	Construction of pipeline infrastructure, including compressor station KS-14 and main gas pipeline KS-14	50%	50%
Private company Kashagan Gas Treatment Plant 2.5 BCMA Ltd.	Kazakhstan	Construction of a gas processing plant with a capacity of 2.5 billion cubic meters.	25%	25%
Taiqonyr Energy Ltd.	Kazakhstan	Development of the Pridorozhnoye gas field in the Turkestan region for the production of liquefied natural gas and related products	24.99%	-

On June 28, 2024, the private company Beineu-Bozoi-Shymkent 2 Ltd. was registered at the Astana International Financial Center with 50% participation of QazaqGaz NC JSC and 50% of UCC Qazaqstan 6 LLC.

On July 1, 2024, the private company CS-14-Qostanay Ltd. was registered at the Astana International Financial Center, with 50% participation of QazaqGaz NC JSC and 50% of UCC Qazaqstan 5 LLC.

On July 1, 2024, the private company Kashagan Gas Treatment Plant 2.5 BCMA Ltd. was registered at the Astana International Financial Center, with 25% participation of QazaqGaz NC JSC and 75% of UCC Qazaqstan 2 LLC.

On July 22, 2025, Taiqonyr Energy Ltd., a private company, was registered at the Astana International Financial Center, with a 24.99% stake in QazaqGaz NC JSC (Mangyshlak Munai LLP) and 75.01% in Gas Solutions Ltd. Mangyshlak Munai transferred the subsoil use rights of Pridorozhnoye field as a contribution to the authorized capital of Taiqonyr Energy Ltd. in the amount of Tenge 11,044 million. Due to the transfer of rights to an associated company, an unrealized portion of profit in the amount of Tenge 1,311 million was excluded from the recognition of the investment. As part of this transfer of rights, an impairment of gas assets in the amount of Tenge 6,431 million was also recognized.

The Group has interests in joint arrangements in the form of joint ventures, whereby the venturers have contractual arrangements that establish joint control over the economic activities of the entity. The agreement requires unanimous consent of the parties sharing control. Investments in joint ventures are accounted for by the Group using the equity method. Investments in joint ventures, other than Shalqar Energy LLC, as described above, are accounted for by the Group using the equity method.

The Group’s share of profit or loss of a jointly controlled entity is provided directly in the consolidated statement of comprehensive income. It represents the profit or loss attributable to participants of a joint venture and therefore is determined as profit or loss after tax and non-controlling interests in subsidiaries of a joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group’s financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2 Basis of Preparation (Continued)

Acquisition of subsidiaries from parties under common control

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

The assets and liabilities of a subsidiary transferred between parties under common control are accounted for in these consolidated financial statements at the carrying amounts recorded in the financial statements of the transferring entity (the Predecessor) at the date of a transfer. The related goodwill, accounted for on the initial acquisition of the Predecessor, is also reflected in these consolidated financial statements. Any difference between the total present value of net assets, including the Predecessor's goodwill, and the consideration paid is accounted for in these consolidated financial statements as an adjustment to equity.

If such an acquisition is considered material, the consolidated financial statements, including comparative amounts, are presented based on the assumption that that a subsidiary had been acquired by the Group on the date it was initially acquired by the Predecessor.

Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in Kazakhstani Tenge ("Tenge"), which is the functional currency of the most entities of the Group. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Group companies

The results and financial position of all of the Group's subsidiaries and joint ventures (none of which operates in 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 as at the reporting date;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average rate 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 transaction dates); and
- all resulting exchange differences are recognised as a separate component within other comprehensive income.

Foreign exchange rates

Weighted average currency exchange rates established by the Kazakhstan Stock Exchange ("KASE") are used as official currency exchange rates in the Republic of Kazakhstan.

As at 31 December 2025, the currency exchange rate of KASE was 505.53 Tenge per 1 US Dollar and 6.34 Tenge per 1 Russian Ruble. These rates were used for translation of monetary assets and liabilities denominated in US Dollars and Russian Rubles at 31 December 2025 (2024: 525.11 Tenge per 1 US Dollar and 4.88 Tenge per 1 Russian Ruble).

Operating environment

In July 2025, the international rating agency Fitch Ratings affirmed Kazakhstan's sovereign rating at 'BBB' with a stable outlook. This rating reflects strong fiscal and external balance sheets resilient to external shocks, as well as financing flexibility, supported by accumulated savings from oil revenues. These strengths are offset by high commodity dependence, high inflation, which partly reflects a less developed macroeconomic policy framework compared to its 'BBB' peers, and weak governance indicators. Crude oil and oil condensate remain the largest contributors to budget revenues and exports, accounting for 17% of GDP, which may expose the economy to external shocks. Efforts to diversify the economy are underway, but implementation will take time due to ongoing challenges related to the business environment and a shortage of skilled labor.

Kazakhstan is expected to remain highly dependent on crude oil and oil condensates, which account for more than half of exports. In addition, almost 80% of Kazakhstan's crude oil is exported via Russia through the Caspian Pipeline Consortium (CPC), creating geopolitical risk. The share is likely to remain high given the cost advantages, despite some recent route diversification.

2 Basis of Preparation (Continued)

Overall, the economy of the Republic of Kazakhstan continues to display some characteristics of an emerging market. These characteristics also include, but are not limited to, a national currency that is not freely convertible outside the country and low levels of equity market liquidity.

Inflation remained relatively stable throughout 2025, increasing to 12.3% in December 2025 from 8.6% in December 2024. Economic growth increased to 6.4% in 2025 from 3.8% in 2024. Analysts forecast GDP growth to remain at 6.2% in 2026.

The economic environment has a significant impact on the operations and financial position of the Group. Management takes necessary measures to ensure the sustainable operations of the Group. However, the future consequences of the current economic situation are difficult to predict, and management's current expectations and estimates may differ from actual results.

In addition, the oil and gas sector in the Republic of Kazakhstan remains vulnerable to political, legislative, tax and regulatory developments in the Republic of Kazakhstan. The prospects for economic stability in the Republic of Kazakhstan largely depend on the effectiveness of economic measures taken by the Government, as well as on the development and improvement of the legal framework within the country's political system, i.e. on circumstances beyond the Group's control.

The conflict on the territory of Ukraine and impact of anti-Russian sanctions

The conflict in the territory of Ukraine, which began in 2022, has led to a number of specific accounting considerations under IFRS Accounting Standards affecting the consolidated financial statements. Many countries have already imposed and continue to impose new sanctions on certain Russian legal entities and Russian citizens, including a ban on Russian banks to use the Swift system. The current situation itself, as well as potential fluctuations in commodity prices, exchange rates, import and export restrictions, availability of local materials and services and access to local resources have directly affected companies with significant activities in the CIS territories.

Russia is Kazakhstan's largest trading partner. Russia is also a key trade transit route, particularly through the Caspian Pipeline Consortium (CPC), which carries up to 80% of its oil exports. The CPC has experienced certain disruptions due to regulatory and security issues; however, the risk of large-scale interruptions in exports through the CPC is considered low, given Kazakhstan's skilful management of its relations with Russia and the West.

As part of its activities, the Group transports and transits gas through the territory of the Republic of Kazakhstan. The Group also entered into agreements on the purchase of Russian gas to cover the domestic gas deficit. As of December 31, 2025, the Russian company with which the Group conducts gas purchase and transportation transactions is not included on the UK, EU, or US sanctions lists and is not subject to targeted sanctions or asset freeze measures. Settlements with the Russian company are currently being made on a timely basis, and there are no payment delays as of the date of this financial statement.

Continuing operations with Russia may result in the risk of secondary sanctions being imposed on the Group's operations. According to the list of sanctions published by the United States, some Russian companies are included in the "Non-SDN" (non-blocking sanctions) list, which prohibits operations to provide financing and other operations with new debt with a maturity of more than 14 days or new equity capital. The Group's management assesses the potential impact of anti-Russian sanctions on the Group's operations and will take all possible steps to mitigate the risks.

The current conflict and economic sanctions have not yet had a material impact on the Group, but there remains significant uncertainty regarding the outcome of the conflict and future economic sanctions. The Group takes into account the impact of anti-Russian sanctions in its operations and continuously monitors them to minimize negative effects. Based on the initial risk assessment and subsequent updates to the sanction's programs and lists, the Group has developed an action plan to minimize potential negative consequences. This action plan is updated as new risks are identified or sanctions programs and lists are updated.

The favorable geographic location, combined with developed infrastructure and the absence of competition, as well as the absence of alternative gas routes of comparable size, ensures transportation volumes for the Group's pipeline system for the foreseeable future. The Group also benefits from growing gas demand in large end markets (China, Russia and Central Asia).

In August 2025, Standard & Poor's upgraded QazaqGaz's BB+ credit rating outlook from stable to positive following its actions on the sovereign ratings of the Republic of Kazakhstan. According to the agency, growing gas demand, coupled with the government's goal of gasifying 65% of the country's territory by 2030, compared to 60% in 2023, makes gas an important part of Kazakhstan's energy mix and decarbonization.

2 Basis of Preparation (Continued)

In January 2026, Fitch Ratings affirmed QazaqGaz's long-term default ratings at 'BB+' with a stable outlook. This decision was related to (i) new investment programs, (ii) increase in gas tariffs rates and (iii) increased natural gas consumption in Kazakhstan. The economy of the Republic of Kazakhstan continues to display characteristics of emerging markets, including the peculiarities of the national currency and the level of liquidity in the securities market. Management continues to monitor current developments and their potential impact, taking necessary measures to ensure the sustainability of the Group's operations.

Besides, the oil and gas sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory changes. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal, controlling and political development and improvement, which are beyond the Group's control.

Management is unable to predict the extent or duration of changes in the Kazakhstani economy or evaluate their possible impact on the financial position of the Group in the future. Management believes that it, as part of its normal business on a regular basis, uses all available mechanisms to prevent cooperation with companies on the sanction lists of the European Union, the Office of Foreign Assets Control (OFAC) and any other applicable sanctions, and takes all necessary measures to maintain the sustainability and growth of the Group's activities in the current circumstances.

Restatement of Comparative Information

Certain amounts in the consolidated statement of financial position for the year ended 31 December 2024 have been reclassified to conform with the presentation adopted in the consolidated financial statements for the year ended 31 December 2025.

Previously, the Group presented its employee bonus accrual liabilities, unused vacation reserve, and salaries payable as other financial liabilities in the consolidated statement of financial position. However, management believes it is more appropriate for all employee liabilities to be presented within employee benefit liabilities in the consolidated statement of financial position. Comparative information for prior years as of 31 December 2024 has been restated by reclassifying Tenge 20,515 million from other current financial liabilities to employee benefit liabilities.

The Group has changed the presentation of its consolidated financial statements because the new presentation provides information that is more relevant to users of the consolidated financial statements and also complies with the requirements of IAS 1 Presentation of Financial Statements.

3 Critical Accounting Estimates, Judgements and Assumptions

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

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Provision for VAT recoverable

The Group determines whether VAT recoverable amount is doubtful at least on an annual basis. Provision for doubtful VAT recoverable is based on the management's expectations of future turnovers subject to VAT and VAT refunds in cash. Significant management judgement is required to determine whether the Group can further defend its right for VAT refund or offset. Further details are provided in Note 10.

Impairment of property, plant and equipment and gas assets

The value in use calculation is based on a discounted cash flow model. Cash flows are budgeted for the next 5 (five) years and do not include restructuring activities, for which the Group is not yet committed, or significant future investments that would improve the results of the assets being tested for impairment in the cash generating unit.

Significant changes in discount rates, an increase in the cost of gas and the revision of macroeconomic forecasts were identified as potential indicators of impairment of the Group's non-current assets. The recoverable amount is most sensitive to the discount rate used in the discounted cash flow model, as well as the expected cash inflows and growth rates used for extrapolation purposes.

3 Critical Accounting Estimates, Judgements and Assumptions (Continued)

The Group assessed the recoverable amount of the non-current assets of ICA and QG Aimaq as at 31 December 2025. The non-current assets of ICA and QG Aimaq were defined as separate cash-generating units.

Transportation and storage of gas (ICA)

The recoverable amount of the cash-generating unit is calculated using a discounted cash flow model. The discount rate was derived from the weighted average cost of capital after tax. The weighted average cost of capital takes into account both debt and equity capital. The cost of equity is derived from the expected return on ICA investments. The cost of debt capital is based on the interest-bearing loans that ICA is obligated to service. Inherent risk was included by applying an individual beta factor. Beta factor was estimated based on publicly available market data. The business plan, approved on an annual basis, is the main source of information for projected cash flows. It contains forecasts for gas transportation volumes, revenues, expenses and capital expenditures.

Various assumptions, such as transportation tariffs and cost inflation rates, take into account current prices, other macroeconomic factors, and historical trends and fluctuations. Estimated cash flows were based on ICA's five-year business plan, taking into account the reverse transit agreement, and management's current estimates of potential changes in operating and capital expenditures.

The key assumptions used in the calculation were projected as follows:

- Transportation volume – average annual growth rate over a five-year forecast period; based on past performance and management's expectations regarding market development;
- Transportation tariff – based on tariffs approved by the Committee for the Regulation of Natural Monopolies (CRNM) for the domestic market and tariffs under contracts with international counterparties for transportation for export and transit, taking into account the average annual growth rate and long-term inflation forecasts after the five-year forecast period;
- Annual capital expenditures – based on management's historical experience and planned expenses according to five-year forecast data for maintaining production assets and other fixed assets directly involved in the production process, as well as investments in new projects;
- Macroeconomic forecasts – the model used auxiliary forecasts from the international sources EIU and Oxford Economics, including consumer and production forecasts, interest rate forecasts, inflation forecasts, and a forecasted dollar-tenge exchange rate for the next 25 years. The consumer and production data, as well as interest rate and inflation forecasts, were obtained from Oxford Economics, and the dollar exchange rate forecasts were obtained from the EIU.

The following are the assumptions used to determine the value in use and to which the recoverable amount is most sensitive:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Assumptions		
Growth rates over 5 years	5.13%	5.14%
Discount rate after tax	15.89%	15.21%
Transportation volumes		
<i>(for the entire forecast period):</i>		
- transportation within Kazakhstan	921 bln.cubic meters	1,032 bln.cubic meters
- transportation of gas for export	120 bln.cubic meters	115 bln.cubic meters
- international transit	1,295 bln.cubic meters	1,302 bln.cubic meters
Transportation tariffs:		
- transportation within Kazakhstan <i>(thousand cubic meters)</i>	From 5,471.08 Tenge	From 5,471.08 Tenge
- transportation of gas for export <i>(thousand m³/100 km)</i>	5 US Dollars	5 US Dollars
- international transit <i>(thousand m³/100 km)</i>	2.42 US Dollars	2.42 US Dollars

As at 31 December 2025, the recoverable amount of non-current assets was Tenge 1,605,678 million, which exceeds their carrying amount by Tenge 99,453 million (31 December 2024: Tenge 1,469,770 million, which exceeds their carrying amount by Tenge 135,574 million).

3 Critical Accounting Estimates, Judgements and Assumptions (Continued)

A sensitivity analysis for significant assumptions as at 31 December 2025 is presented below:

Assumptions	Changes in assumptions	Increase/(decrease) in recoverable amount in millions of Tenge	Impairment (Yes/No)	Impairment amount
Growth rate	1% increase	(74,363)	No	-
	1% decrease	82,158	No	-
Discount rate	1% increase	(131,345)	Yes	(31,892)
	1% decrease	151,024	No	-
Volumes of domestic transportation	1% increase	11,775	No	-
	1% decrease	(11,875)	No	-
Volumes of export transportation	20% increase	60,024	No	-
	20% decrease	(60,024)	No	-
Volumes of transit	1% increase	11,046	No	-
	1% decrease	(12,046)	No	-
Tariffs for domestic transportation	1% increase	11,775	No	-
	1% decrease	(11,875)	No	-
Tariffs for export transportation	20% increase	60,024	No	-
	20% decrease	(60,024)	No	-
Tariffs for transit	1% increase	11,046	No	-
	1% decrease	(12,046)	No	-

Gas sales to local energy distributors, legal entities and individuals (QG Aimaq)

The recoverable amount of the cash-generating unit was determined as value in use using a discounted cash flow model. Cash flow estimates include many subjective factors, including operational and financial, using the best available evidence.

The discount rate was derived from the post-tax weighted average cost of capital. The weighted average cost of capital includes both debt and equity. The cost of equity is derived from the expected return on QG Aimaq investments, taking into account the equity risk premium and the size premium of QG Aimaq. The cost of debt is based on the interest-bearing loans that QG Aimaq is obligated to service. Inherent risk was incorporated by applying a beta factor. The beta factor was estimated based on publicly available market data.

The main assumptions used in the calculation were predicted as follows:

- Volume of gas purchase and supply – based on the Comprehensive Plan for the Development of the Gas Industry of the Republic of Kazakhstan for 2026–2030, approved by the Decree of the Government of the Republic of Kazakhstan, and the Gas Balance of the Republic of Kazakhstan for 2025–2030, approved by the order of the Minister of Energy of the Republic of Kazakhstan, as well as the Business Plan for 2026–2030, approved by the Board of Directors of QG Aimaq; The forecast takes into account the dynamics of growth of domestic consumption, the expansion of the level of gasification of regions and the expected increase in the volume of transit and trunk transportation;
- Transportation tariffs – based on tariffs approved by the Committee for the Regulation of Natural Monopolies (CRNM) for five years and considering the average annual growth rate and long-term inflation forecasts after the five-year forecast period;
- Annual capital expenditures – based on the historical structure of capital investments and the approved investment program of QG Aimaq, including costs for maintaining and modernizing the existing gas transportation and gas distribution infrastructure, replacing worn-out assets, as well as implementing new projects to expand and develop the network.

3 Critical Accounting Estimates, Judgements and Assumptions (Continued)

The following are the assumptions used to determine the value in use was and to which recoverable amount is most sensitive:

Assumptions regarding the recoverable amount of non-current assets:	At 31 December 2025	At 31 December 2024
Growth rates over 5 years	6.08%	5.16%
Discount rate after tax	14.58 %	15.74%
Gas sales volumes until 2031	108,7 bln.cubic m	120,3 bln.cubic m
Gas transportation volumes until 2031	75,9 bln.cubic m	94 bln.cubic m
Tariffs for:		
- gas sales (thousand cubic meters)	from Tenge 37,9 thousand	from Tenge 27,6 thousand
- gas transportation (thousand cubic meters)	from Tenge 4,3 thousand	from Tenge 4,2 thousand

As at 31 December 2025, the recoverable amount of non-current assets was Tenge 336,458 million, which exceeds their carrying amount by Tenge 89,020 million (31 December 2024: Tenge 284,628 million, which exceeds their carrying amount by Tenge 33,115 million).

A sensitivity analysis for significant assumptions as at 31 December 2025 is presented below:

Assumptions	Changes in assumptions	Increase/(decrease) in recoverable amount in millions of Tenge	Impairment (Yes/No)	Impairment amount
Growth rate	1% increase	19,049	No	-
	1% decrease	(16,054)	No	-
	1% increase	(33,644)	No	-
Discount rate	1% increase	41,204	No	-
	5% increase	46,534	No	-
Gas sales and transportation volumes	5% decrease	(46,171)	No	-
	5% increase	435,373	No	-
Gas sales and transportation tariffs	5% decrease	(235,666)	Yes	(146,646)

Initial recognition of related party transactions

In the normal course of business, the Group enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. From time to time, the Group receives loans from the Shareholder and measures them at fair value on initial recognition (Note 14).

During 2025 and 2024, the Group (ICA) issued debt securities—bonds with a below-market coupon rate. All issued bonds were listed on the Kazakhstan Stock Exchange. The Group recognized each tranche at fair value upon initial recognition. The difference between the fair value at the recognition date and the par value of the bonds was recognized in equity as other transactions with the Shareholder.

Right-of-use assets and lease liabilities

On 31 December 2021, the Group entered into a lease agreement for the Saryarka main gas pipeline with AstanaGas KMG JSC for a lease period of 5 years from 2022 to 2026, which came into force from the date of approval by CRNM of tariffs for gas transportation in the domestic market, that is from 1 January 2022. This agreement was concluded on the terms of variable lease payments, the variability of which depends on the volume of gas transported through the Saryarka main gas pipeline. The Group's management concluded that since the actual lease payments are inevitable and not in fact variable, they are in-substance fixed and should therefore be included in the measurement of the lease liability. At the lease commencement date, the Group recognized lease liabilities and the right-of-use asset for the Saryarka main gas pipeline in the amount of Tenge 111,327 million.

3 Critical Accounting Estimates, Judgements and Assumptions (Continued)

Asset retirement obligations

In accordance with the Law of the Republic of Kazakhstan “On Main Pipelines” dated 4 July 2012 and the Environmental Code of the Republic of Kazakhstan, the Group has legal obligations to dismantle and liquidate property, plant and equipment and restore land plots. In particular, the Group’s obligation is related to the dismantling of gas pipelines and reclamation of land plots.

The calculation of liabilities for the liquidation of production assets as at 31 December 2025 and 31 December 2024 was performed by the Group based on the results of assessments carried out by internal specialists. The scope of work provided by law and included in the calculation included the dismantling of facilities and infrastructure (main pipeline, gas distribution stations, compressor stations of access roads, helipads, buildings and other facilities) and the subsequent restoration of land.

The liability amount is the present value of the estimated costs that are expected to be required to settle the liability. Provisions for well abandonment and site restoration are reviewed at each reporting date and adjusted to reflect the best estimate in accordance with IFRIC 1, *Changes in Existing Decommissioning, Restoration and Similar Liabilities*.

Significant estimates and judgments made by management were used in estimating future costs. Most of these obligations relate to the distant future and, in addition to uncertainties in legal requirements, the Group’s estimates may be affected by changes in asset disposal technology, costs and industry practices. Uncertainties relating to final closure costs are reduced by the effect of discounting the expected cash flows. The Group estimates the cost of future liquidation of gas pipelines, closure of all production gas wells and reclamation of the contract area using current year prices and the average long-term inflation rate.

Key assumptions in making these estimates include estimating the discount rate and the amount and timing of future cash flows. The discount rate is applied to the nominal costs that management expects to incur. Management’s accounting estimates, made at current prices, are increased using assumed long-term inflation rates (2025: 7.23%, 2024: 5.14%) and subsequently discounted based on a discount rate that reflects current market estimates of the time value of money as well as the risks related to liabilities that were not included in the best cost estimates. The discount rate is based on the risk-free rate, defined as the yield on government bonds with maturities matching the terms of the subsoil use contracts.

Long-term inflation rates and discount rates used to determine the liability in the consolidated statement of financial position as at 31 December 2025 were 7.23% and 12.22%, respectively (31 December 2024: 5.14% and 10.03%). The carrying amount of the reserve for liquidation of the gas pipelines and compressor stations and restoration of the site as at 31 December 2025 amounted to Tenge 87,340 million (31 December 2024: Tenge 82,417 million). The carrying amount of the reserve for abandonment of wells and restoration of the site under the contract for exploration and production of hydrocarbons as at 31 December 2025 amounted to Tenge 779 million (31 December 2024: Tenge 567 million). See Note 17 for further details.

A quantitative sensitivity analysis for significant assumptions as at 31 December is provided below:

<i>In millions of Tenge</i>	Impact on gas pipeline abandonment and site restoration provision	
	31 December 2025	31 December 2024
Assumptions for gas pipeline abandonment and site restoration		
Liquidation cost per 1 km:		
- Increase by 10%	8,437	7,914
- Decrease by 10%	(8,437)	(7,914)
Inflation rate		
- Increase by 1%	27,111	27,010
- Decrease by 1%	(20,684)	(20,302)
Discount rate		
- Increase by 1%	(19,725)	(19,366)
- Decrease by 1%	26,007	25,909

4 Material Accounting Policy Information

Tax Code of the Republic of Kazakhstan (No. 214-VIII ZRK)

On July 18, 2025, a new Tax Code of the Republic of Kazakhstan was adopted, which comes into effect on January 1, 2026. Management analyzed the impact of the new Tax Code on the Group's deferred tax assets and liabilities in accordance with IAS 12, taking into account the tax rules that will be in effect when the temporary differences reverse. Based on the analysis, the application of the new Tax Code does not have a material impact on the Group's consolidated financial statements.

Pillar II

International Tax Reform – Pillar II Model Rules – Amendments to IAS 12 "Income Taxes"

The consolidated revenue of the QazaqGaz Group of Companies exceeds the threshold established by the global minimum tax rules (Pillar Two) and, accordingly, is subject to these rules.

As of December 31, 2025, the application of the Pillar Two rules does not have a material impact on the Group's consolidated financial statements.

New standards, amendments and interpretations

A list of revised standards that became mandatory for the Group from 1 January 2025 but did not have a material impact on the Group is provided below:

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

Standards and amendments issued but not yet effective

The new standards, amendments and interpretations that have been issued, but not yet effective as of the issue date of the Group's consolidated financial statements are disclosed below. The Group intends to apply these standards, amendments and interpretations, if applicable, from their effective date. The Group does not expect these standards and amendments to have a material impact on the consolidated financial statements.

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

Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — market quotations at active market for identical assets or liabilities (without any adjustments);
- Level 2 – techniques for which all inputs that relate to the lower hierarchy level which have a significant effect on the fair value are observable, either directly or indirectly;
- Level 3 — techniques for which all inputs that relate to the lower hierarchy level which have a significant effect on the fair value are not observable.

4 Material Accounting Policy Information (Continued)

For the purpose of disclosing the fair value, the Group classified assets and liabilities based on their nature, characteristics and risks attributable to them as well as applicable level in the fair value hierarchy as mentioned above.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of property, plant and equipment (except for gas assets) is calculated on a straight-line basis over the estimated useful lives. The average useful life by class of property, plant and equipment is shown in the following table:

	<u>Years</u>
Buildings and constructions	36
Gas transportation system	66
Machinery and equipment	28
Vehicles	16
Other	16

Land is not depreciated.

Provision for decommissioning is recognized in full, on a discounted basis, when the Group has an obligation to dismantle and decommission a facility or an item of construction or equipment and to restore the site on which it is located and when a reasonable estimate of that provision can be made.

Construction in progress represents property, plant and equipment under construction and is stated at cost. This includes cost of construction, equipment and other direct costs. Depreciation of construction in progress starts when construction of such assets is completed, and they are put into operation.

Costs incurred prior to acquisition of subsurface use right

Costs incurred prior to signing subsurface use contract are expensed in the period in which they are incurred.

Subsurface use right costs

Subsurface use right acquisition costs are capitalized and classified as intangible assets. Each property under exploration is reviewed on an annual basis to confirm that drilling operations are planned, and it is not impaired. If no future operations are planned, the carrying amount of the subsurface use right and related property acquisition costs are written off. Upon determination of economically recoverable reserves ('proved reserves' or 'commercial reserves') and internal approval of development, the carrying amount of the subsurface use right and related property acquisition costs by fields are aggregated with exploration and evaluation costs and transferred to gas assets.

Exploration and evaluation costs

Once the legal right to explore has been acquired, geological and geophysical exploration costs and costs directly associated with an exploratory drilling 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 lease costs and payments made to contractors. If no reserves are found, the exploration and evaluation assets are tested for impairment, if extractable hydrocarbons are found and are to be further assessed which may include the drilling of other wells that are likely to be further developed commercially, the costs continue to be carried as an intangible asset while sufficient/continued progress is made in assessing commercial recovery of the hydrocarbons.

All such assets are subject to technical, commercial and management review as well as impairment test at least once a year to confirm the continued intent to continue development or benefit in other ways from the discovery. Otherwise, the costs are written off. When proved reserves of gas are determined and decision is made to continue development, the relevant expenditures are transferred to gas assets after impairment is assessed and any resulting impairment loss is recognised.

Development costs

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

4 Material Accounting Policy Information (Continued)

Depreciation of gas assets

Gas assets are depreciated using the unit of production method based on proved developed gas reserves, except for infrastructure facilities, which are depreciated using the straight-line basis.

Leases

The Group assesses whether an agreement is a lease or contains elements of a lease at the commencement date of the lease relationship.

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 recognised lease liabilities in respect of lease payments to be made and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The initial measurement of right-of-use assets includes the amount of lease liabilities recognised, 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 lease terms.

If ownership of a 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 an asset.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include 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 that is 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.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Financial assets

All purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the transaction date, i.e. the date that the Group commits to purchase or sell an asset.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method less impairment provision. Gains or losses are recognized in profit or loss when an asset is derecognized, modified or impaired.

4 Material Accounting Policy Information (Continued)

The Group's financial assets at amortised cost include loans to related parties, cash and cash equivalents, bank deposits, trade and other receivables and other financial assets.

Cash and short-term bank deposits

Cash and cash equivalents represent cash at banks and short-term bank deposits with an original maturity of 3 (three) months or less. Cash and cash equivalents also include reverse repurchase agreements — an investment in highly liquid government securities with an agreement to sell them at a higher price within 1 to 30 days. Repos are easily convertible into cash and cash equivalents and are subject to insignificant risk of changes in value since they are collateralized by the Government of the Republic of Kazakhstan.

Other financial assets

The Group's other financial assets carried at amortized cost mainly include NBRK notes, Samruk-Kazyna bonds and finance lease debt. Samruk-Kazyna bonds and NBRK notes with a maturity of up to 3 months are highly liquid investments that can be easily sold if necessary. At the same time, the purchase of NBRK notes and Samruk-Kazyna bonds is part of the Group's investment activities, and not part of the organization's daily cash management. When purchasing these securities, there is no intention to sell them ahead of schedule; they are mainly held until maturity, and therefore the Group classifies them as current- financial assets.

Impairment of financial assets

Expected credit losses (ECLs) are recognized in two steps. For financial instruments for which credit risk has not increased significantly since initial recognition, a loss allowance is created for credit losses that could arise from defaults that are possible within the next 12 months (12-month expected credit losses). For financial instruments for which credit risk has increased significantly since initial recognition, a loss allowance is created for credit losses expected over the remaining life of the financial instrument, regardless of the timing of default (lifetime expected credit losses).

To assess the increase in credit risk, the Group compares the risk of default on a financial instrument at the reporting date with the risk of default on the financial instrument at the date of initial recognition. Reasonable and verifiable information that is available without excessive costs is analyzed.

For trade and other receivables, the Group applies a simplified approach to calculate ECL. Consequently, the Group recognizes lifetime expected credit losses. Expected credit losses on such financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for borrower-specific factors, general economic conditions and an assessment of both current and expected development of conditions at the reporting date.

Financial liabilities

Financial liabilities are classified as financial liabilities measured at fair value through profit or loss or at amortized cost.

All financial liabilities are recognised initially at fair value and in case of debt securities and borrowings net of directly attributable transaction costs.

After initial recognition, debt and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses on such financial liabilities are recognized in profit or loss when they are derecognised and as they are amortized using the effective interest rate.

Amortized cost is calculated taking into account acquisition discounts or premiums and fees or costs that are an integral part of the effective interest rate. Amortization using the effective interest rate is included in finance costs in the consolidated statement of comprehensive income.

The Group's financial liabilities carried at amortized cost include debt securities issued, borrowings, accounts payable, and financial guarantees.

Trade and other payables

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

4 Material Accounting Policy Information (Continued)

Financial guarantee contracts

Financial guarantee contract is a contract that requires a payment to be made to reimburse the beneficiary for a loss it incurs if the specified debtor fails to make a payment when due in accordance with the initial or revised contract terms. Financial guarantee contracts are recognised initially as liabilities at fair value including transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of allowance for estimated credit losses calculated according to IFRS 9, or the amount of liability initially recognised less accumulated amortisation according to IFRS 15.

Guarantees are recognized in accounting from the moment the guarantee is issued until the expiration date or until the requirements or obligations stipulated by the terms of the guarantee are fully fulfilled.

Inventory

Inventories are accounted for on FIFO basis separately for each warehouse.

The Group recognizes transportation costs for gas transportation services provided by the Group's joint ventures. These costs are variable in nature and are calculated based on transported volumes and tariffs per 1000 m³/100 km, established in accordance with the Order of the Department of the Committee for the Regulation of Natural Monopolies of the Ministry of National Economy for the domestic market and negotiated tariffs for export volumes. These transportation costs are not directly attributable to the acquisition of inventories and, accordingly, are not included in the cost of inventories, but are recognized in cost of sales.

Impairment of non-financial assets

The Group determines the amount of impairment based on detailed plans and forecasts that are prepared separately for each cash-generating unit (CGU) to which individual assets belong.

These budgets and forecast calculations generally cover a period of 5 (five) years. For longer periods, a long-term growth rate is determined and applied to forecasted future cash flows after the fifth year. Impairment losses of continuing operations are recognised in the consolidated statement of comprehensive income within the expenses category consistent with the function of the impaired asset.

Provisions

Provisions for decommissioning are recognized in full on a discounted cash flow basis, when the Group has an obligation to dismantle and remove construction or 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 expenditures determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment, the amount of which is equivalent to the provision, is also created. Subsequently, this asset is depreciated as part of gas assets and gas transportation system assets.

Abandonment and site restoration provision

Changes in the measurement of an existing abandonment and site restoration 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:

- (a) changes in the provision are added to or deducted from the cost of the related asset in the current period;
- (b) 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 as expense; and
- (c) 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 there 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.

Share capital and dividends

Share capital that comprises the ordinary shares is recognized at cost. Dividends on ordinary shares are recognised as a reduction of equity in the period in which they are declared. Dividends on ordinary shares are payable at the discretion of the Sole Shareholder.

4 Material Accounting Policy Information (Continued)

Revenue from contracts with customers and other income

In breaking down revenue by geographic region, the Group classifies counterparties by their country of incorporation or location, rather than by the location where services are actually provided. Revenue information broken down by geography enables to assess the contribution of different regions to the Group's overall revenue and to identify potential risks and opportunities associated with operations in each region.

Sales of gas

Revenues from the sale of gas are recognized after the significant risks and rewards of ownership of the commodity have been transferred to the buyer and generally include one performance obligation. Gas revenues are recognized over time.

The average repayment period for accounts receivable for gas sales from PetroChina Group is 50 days, which significantly exceeds the average for domestic buyers (30 days). This deviation is associated with the specifics of working with a foreign counterparty, in particular, a longer process for coordinating volumes and increased time for signing primary documents. Obligations under contracts are repaid on average within 12 months.

Service rendering

The Group fulfils performance obligation on a monthly basis and recognises revenues from rendering gas transportation services and technical maintenance of gas pipelines based on the actual volumes of services rendered. Revenue from gas transportation services is recognised over time given that the buyer simultaneously receives and consumes the benefits provided by the Group.

Management services

The Group recognises management fee, which relates to management of KazRosGas LLP, KazMunayGas's joint venture, at point in time based on the approval of the declaration of dividends of KazRosGas LLP.

Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets, interest income is recognised using the EIR, which is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Dividends

Dividend income is recognized when the Group's right to distribution is established, which, as a rule, happens when the shareholders approve the dividends.

Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group satisfies its performance obligation (i.e., transfers control of the related goods or services to the customer).

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the carrying amount of that asset. Other borrowing costs are recognized as an expense when incurred. Borrowings costs include interest paid and other expenses incurred by the Group with respect to borrowed funds.

Current income tax

The tax rates and tax laws used to compute the tax amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions reflected in the tax returns in respect to situations in which applicable tax regulations are subject to various interpretations and recognises provisions as needed.

4 Material Accounting Policy Information (Continued)

Deferred tax

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value added tax ("VAT")

Tax legislation provides for settlement input VAT and output VAT on a net basis. Thus, VAT receivable represents VAT on purchases net of VAT on sales.

VAT payable

Where allowance has been made for impairment of receivables, impairment loss is recorded for the gross amount of the receivables, including VAT. The related VAT liability is recorded until the accounts receivable are written off for tax purposes.

VAT receivable

VAT receivable is recorded for purchased goods, work and services, which were purchased with VAT and if they were used in order to generate income.

5 Acquisitions under Common Control

GPC Investment LLP

On 14 February 2024, ordinary shares of NC QazaqGaz JSC in the quantity of 1,000 (one thousand) shares were placed at an offering price of Tenge 38,737,143 under the preemptive purchase right by transferring 100% of the share in GPC Investment LLP ("GPCI") in accordance with the Transfer Agreement between Samruk-Kazyna JSC and NC QazaqGaz JSC for a total of Tenge 38,737 million. On 16 February 2024, the state re-registration of 100% of ownership in GPCI to NC QazaqGaz JSC was completed.

Under the strategic investment project agreement signed between the Republic of Kazakhstan and the Republic of Qatar, a sale of shares in the GPCI project company is planned, with QG retaining a 25% stake. Therefore, GPCI is reflected in these consolidated financial statements as a disposal group under IFRS 5. QG plans to complete the sale of a 75% stake in GPCI by the end of 2026.

The sale was not completed within 12 months of the asset's initial classification as a disposal group. This is primarily due to the intergovernmental nature of the transaction and ongoing negotiations with the Buyer regarding certain commercial and contractual issues. As of December 31, 2025, negotiations were ongoing, and both parties remain committed to completing the transaction by the end of 2026.

As of 31 December 2025, the carrying amount of assets and liabilities of GPCI, recognized as a disposal group, are equal to Tenge 323,349 million (2024: Tenge 239,135 million) and Tenge 232,233 million (2024: Tenge 172,717 million), respectively. Net profit after tax for the period for GPCI is Tenge 5,085 million (net loss for 2024: Tenge 10,373 million).

NC QazaqGaz JSC
Notes to the Consolidated Financial Statements for the year ended 31 December 2025

6 Property, Plant and Equipment

Movements in property, plant and equipment for the years ended 31 December 2025 and 2024 were as follows:

<i>In millions of Tenge</i>	Note	Land	Gas assets	Buildings and constructions	Gas transportation system	Equipment	Vehicles	Other	Construction in progress	Total
Cost										
31 December 2023		568	76,813	152,600	996,904	466,291	30,160	13,262	87,801	1,824,399
Additions		75	3,040	719	4,996	2,361	8,943	1,734	202,961	224,829
Change in estimates	17	-	28	(227)	(4,544)	(264)	-	-	-	(5,007)
Transfers to E&E assets		-	(18)	-	-	-	-	-	-	(18)
Transfers to assets held for sale		-	-	-	(1,642)	-	-	-	-	(1,642)
Transfers		-	9	14,140	76,623	64,338	(61)	2,624	(157,673)	-
Disposals		(1)	(150)	(5)	(109)	(189)	(524)	(489)	(7)	(1,474)
31 December 2024		642	79,722	167,227	1,072,228	532,537	38,518	17,131	133,082	2,041,087
Additions		-	22,298	875	182,338	21,684	2,992	1,556	232,001	463,744
Change in estimates	17	-	45	793	(6,470)	1,463	-	-	-	(4,169)
Transfers to E&E assets		-	(59)	-	-	-	-	-	-	(59)
Transfers		35	8	7,057	162,667	32,386	-	869	(203,022)	-
Disposals		-	(8,274)	(67)	(362)	(367)	(1)	(237)	(13)	(9,321)
31 December 2025		677	93,740	175,885	1,410,401	587,703	41,509	19,319	162,048	2,491,282
Accumulated depreciation and impairment										
31 December 2023		-	(18,311)	(29,860)	(180,196)	(131,017)	(21,997)	(6,983)	(5,703)	(394,067)
Depreciation charge for the year		-	(3,386)	(4,487)	(22,826)	(19,199)	(1,439)	(1,083)	-	(52,420)
Impairment		-	-	-	(2,904)	-	-	-	(94)	(2,998)
Transfers to assets held for sale		-	-	-	857	-	(2)	-	-	855
Transfers		-	(3)	(2,405)	3,074	(418)	-	(248)	-	-
Disposals		-	89	5	80	168	436	372	-	1,150
31 December 2024		-	(21,611)	(36,747)	(201,915)	(150,466)	(23,002)	(7,942)	(5,797)	(447,480)
Depreciation charge for the year		-	(4,949)	(4,335)	(27,488)	(22,139)	(2,136)	(1,443)	-	(62,490)
Transfers		-	-	(223)	1	200	1	21	-	-
Impairment		-	(6,431)	-	(371)	34	-	-	241	(6,527)
Disposals		-	147	33	350	304	1	235	-	1,070
31 December 2025		-	(32,844)	(41,272)	(229,423)	(172,067)	(25,136)	(9,129)	(5,556)	(515,427)
Net book value										
31 December 2024		642	58,111	130,480	870,313	382,071	15,516	9,189	127,285	1,593,607
31 December 2025		677	60,896	134,613	1,180,978	415,636	16,373	10,190	156,492	1,975,855

6 Property, Plant and Equipment (Continued)**Additions**

During 2025, additions to construction in progress are mainly related to the costs of a set of works to ensure uninterrupted gas transportation through the main gas pipelines (MG) "SAC-5", "SAC-4" and "Luping SAC-4" in the amount of Tenge 124,694 million, construction of the Taldykorgan-Usharal MG in the amount of Tenge 46,229 million, major repairs of the MG, pneumatic tests, emergency recovery work in the amount of Tenge 13,699 million, disconnection and connection work on sections of the "SAC" MG in the amount of Tenge 7,850 million, construction of a jumper from the gas pipeline-branch of the Eltai AGRS with the "SAC-3" MG to the "LSAC-4" MG in the amount of Tenge 6,588 million, drilling of production duplicate wells of the Zhamankoyankulak section UGS "Bozoy" for the amount of Tenge 4,852 million, reconstruction of the connection unit of the gas pipelines "SAC-4", "SAC-5", "LSAC-4" for the amount of Tenge 4,088 million, major repairs of the engine of the booster compressor station of the UGS "Bozoy" for the amount of Tenge 2,057 million and major repairs of the launch and reception unit of cleaning and diagnostic devices on the section of the gas pipeline "Kartaly - Rudny" for the amount of Tenge 1,817 million.

During 2025, the Group accepted 481 gas supply facilities and design and estimate documentation for the Taldykorgan-Usharal gas pipeline project in exchange for common shares issued to the Sole Shareholder for a total of Tenge 244,232 million (Note 14). These assets were recognized at fair value of Tenge 200,226 million, with the difference of Tenge 44,006 million recognized in equity.

During 2024, additions to construction in progress are mainly related to the costs of construction of the Taldykorgan-Usharal gas pipeline in the amount of Tenge 74,992 million, a set of works on the "SAC" gas pipeline in the amount of Tenge 43,651 million, construction of the 2nd string of the "Almaty-Baiserke-Talgar" gas pipeline in the Almaty region in the amount of Tenge 25,471 million, construction of a bypass gas pipeline on the "BGR-TBA" gas pipeline section in the amount of Tenge 6,353 million, major repairs of main gas pipelines, pneumatic testing, emergency recovery work in the amount of Tenge 14,667 million, expert diagnostic support for major repairs and preparatory work in the amount of Tenge 2,109 million.

In 2025, the Group received property, plant and equipment free of charge in the amount of Tenge 1,411 million (2024: Tenge 261 million).

Transfers to assets held for sale

During 2024, the Group classified dismantled pipes with a net carrying amount of Tenge 729 million as assets held for sale and recognized a loss on disposal of pipelines in the amount of Tenge 58 million in other operating expenses.

Transfers

A significant portion of the fixed assets put into operation is related to the completion of the construction of the Taldykorgan-Usharal main gas pipeline for a total of Tenge 121,230 million, a set of works on the "SAC-5", "SAC-4" and "Luping SAC-4" main gas pipelines for a total of Tenge 30,993 million, major repairs of main gas pipelines, pneumatic testing, replacement of defective pipes, emergency restoration work for a total of Tenge 12,921 million, construction of a bypass gas pipeline on the "BGR-TBA" main gas pipeline section for a total of Tenge 7,087 million and works on sections of the "SAC" main gas pipeline to ensure safety during a set of works on gas transportation for a total of Tenge 6,801 million.

Other

As at 31 December 2025, the initial cost and related accumulated depreciation of fully depreciated property, plant and equipment still in use amounted to Tenge 24,459 million (31 December 2024: Tenge 23,965 million).

In 2025, the Group capitalized borrowing costs in the amount of Tenge 22,527 million in the carrying amount of property, plant and equipment related to the construction of assets (2024: Tenge 2,786 million). The weighted average capitalization rate for borrowing costs was 12.6% (2024: 15.49%).

As at 31 December 2025, the Group recognised impairment of property, plant and equipment in the amount of Tenge 6,527 million, including Tenge 6,431 million for gas assets of Mangyshlak Munai (Note 2) (as at 31 December 2024: property, plant and equipment in the amount of Tenge 2,998 million, including Tenge 2,904 million for property, plant and equipment of AsiaGas Chundja).

7 Right-of-use Assets

As at 31 December 2025 and 2024 right-of-use assets are as follows:

<i>In millions of Tenge</i>	Note	Gas transportation assets	Other	Total
1 January 2024		66,796	11	66,807
Depreciation charge	23, 25	(22,265)	(2)	(22,267)
31 December 2024		44,531	9	44,540
Depreciation charge	23, 25	(22,265)	(2)	(22,267)
Disposals		-	(6)	(6)
31 December 2025		22,266	1	22,267

On 31 December 2021, the Group entered into a lease agreement for the Saryarka main gas pipeline with AstanaGas KMG JSC for 2022 – 2026. The lease agreement came into force on the date of approval by the CRNM of tariffs for gas transportation in the domestic market, that is from 1 January 2022. At the recognition date of the right-of-use asset and lease liability, the Group estimated the lessee's borrowing rate to be 17.3% per annum. As the lease commencement date, the present value of the lease of the Saryarka main gas pipeline was Tenge 111,327 million.

The Group recognizes short-term leases and leases of low-value assets as expenses within cost and general and administrative expenses (Notes 23 and 25).

8 Investments in Joint Ventures

Financial information about investments in joint ventures is summarized below:

<i>In millions of Tenge</i>	AGP	BSP	AG	OG	Total
31 December 2023	978,536	261,103	1,404	210	1,241,253
Share of profit of the joint venture	325,723	44,983	438	-	371,144
Share of other comprehensive loss of the joint venture	363	-	-	-	363
Dividends	(523,089)	(18,000)	(373)	-	(541,462)
31 December 2024	781,533	288,086	1,469	210	1,071,298
Share of profit of the joint venture	285,019	21,990	673	-	307,682
Share of other comprehensive income of the joint venture	1,141	-	-	-	1,141
Dividends	(325,723)	(16,000)	(439)	-	(342,162)
31 December 2025	741,970	294,076	1,703	210	1,037,959

8 Investments in Joint Ventures (Continued)

AGP

The following table provides a summarized financial information about investments of the Group in AGP:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Statement of financial position of the joint venture		
Current assets, including:	713,416	731,998
- cash and cash equivalents	507,854	634,950
Non-current assets	983,352	1,033,027
Current liabilities, including:	(42,768)	(37,207)
- trade and other payables	(36,616)	(22,412)
Non-current liabilities, including:	(170,060)	(164,754)
- deferred tax liabilities	(104,562)	(109,451)
Equity	1,483,940	1,563,064
Share of the Group's ownership	50%	50%
Carrying amount of the investment	741,970	781,532

<i>In millions of Tenge</i>	2025	2024
Statement of comprehensive income of the joint venture		
Revenue from contracts with customers	933,098	897,105
Cost of sales, including:	(193,121)	(193,325)
- depreciation and amortisation	(73,801)	(72,961)
General and administrative expenses, including:	(10,362)	(9,992)
- depreciation and amortisation	(989)	(989)
Finance income, including:	19,988	39,451
- interest income	19,988	39,451
Finance costs, including:	(5,470)	(4,299)
- interest expenses	(239)	(223)
Profit before taxation	712,346	815,586
Income tax expenses	(142,307)	(164,140)
Net profit for the year	570,039	651,446
Share of profit of the joint venture for the year	285,019	325,723
Other comprehensive income for the year	2,283	725
Share of other comprehensive income for the year	1,141	363

On 15 February 2008, pursuant to the agreement between the Government of the Republic of Kazakhstan and the Government of People's Republic of China on cooperation in the construction and operation of Kazakhstan-China gas pipeline, AGP joint venture was established with 50% ownership interest of the Group and 50% ownership interest of Trans-Asia Gas Pipeline Company Limited. As at 31 December 2025 and 2024, the charter capital of AGP was equal to Tenge 1,200 million, of which an amount of Tenge 600 million was paid by the Group.

8 Investments in Joint Ventures (Continued)

BShP

The following table provides a summarized financial information about investments of the Group in BShP:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Statement of financial position of the joint venture		
Current assets, including:	70,475	126,431
- cash and cash equivalents	40,294	86,021
Non-current assets	556,423	572,890
Current liabilities, including:	(24,130)	(53,349)
- short-term borrowings received	(1,314)	(16,276)
- trade and other payables	(21,161)	(32,801)
Non-current liabilities, including:	(12,501)	(67,683)
- long-term borrowings received	(3,268)	(58,267)
Equity	590,267	578,289
Share of the Group's ownership	50%	50%
Share in equity	295,135	289,145
Consolidation adjustment	(1,059)	(1,059)
Carrying amount of the investment	294,076	288,086

<i>In millions of Tenge</i>	2025	2024
Statement of comprehensive income of the joint venture		
Revenue from contracts with customers	110,210	164,864
Cost of sales, including:	(59,274)	(53,983)
- depreciation and amortisation	(30,770)	(29,416)
General and administrative expenses, including:	(6,458)	(7,269)
- depreciation and amortisation	(750)	(747)
Finance income, including:	5,163	4,538
- interest income	5,163	4,538
Finance costs, including:	(5,027)	(11,372)
- interest expenses	(1,948)	(9,684)
Profit before taxation	43,979	89,965
Income tax expenses	-	-
Net profit for the year	43,979	89,965
Share of profit of the joint venture for the year	21,990	44,983
Other comprehensive income for the year	-	-
Share of other comprehensive income for the year	-	-

On 18 January 2011, according to the agreement between the Government of the Republic of Kazakhstan and the Government of People's Republic of China on cooperation in construction and operation of the Kazakhstan-China gas pipeline, BShP joint venture was established with 50% interest of the Group and 50% interest of Trans-Asia Gas Pipeline Company Limited. As at 31 December 2025 and 2024, the charter capital of BShP was equal to Tenge 145,430 million, of which an amount of Tenge 72,715 million was paid by the Group.

9 Other Financial Assets

As at 31 December 2025 and 2024, other financial assets included:

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Financial assets at amortised cost			
Finance lease receivables		2,983	3,128
Samruk-Kazyna bonds	30	–	60,095
Other		456	–
Financial assets at fair value through other comprehensive income			
Eurobonds of the Ministry of Finance of the Republic of Kazakhstan		4,890	5,075
		8,329	68,298
Less: current portion		(3,493)	(63,269)
Non-current portion		4,836	5,029

Samruk-Kazyna bonds

On 27 December 2024, the Group acquired Samruk-Kazyna coupon bonds listed on the AIX exchange with a par value of Tenge 1,000 per bond for a total of Tenge 60,000 million with an interest rate of 14.25% (the base rate of the NBRK minus 1% per annum) maturing on 27 February 2025. On March 6, 2025, Samruk-Kazyna coupon bonds were fully redeemed.

Eurobonds of the Ministry of Finance of the Republic of Kazakhstan

On 23 October 2024, the Group acquired 10,438,000 Eurobonds of the Ministry of Finance of the Republic of Kazakhstan at a net price quoted on the market in US dollars with a coupon rate of 4.875% with a maturity date of 14 October 2044.

Information about credit risks is presented in Note 32.

10 VAT Recoverable and Prepaid Taxes other than Income Tax

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
VAT recoverable	343,539	315,395
Property tax	798	232
Withholding income tax	–	31
Other taxes prepaid	143	156
	344,480	315,814
Less: provision for non-recoverable VAT	(57,793)	(47,558)
	286,687	268,256
Non-current portion	115,815	62,712
Current portion	170,872	205,544

10 VAT Recoverable and Prepaid Taxes other than Income Tax (Continued)

Movements in the provision for non-recoverable VAT were as follows:

<i>In millions of Tenge</i>	Impairment
As at 31 December 2023	(41,819)
Written off	5
Accrual	(5,744)
As at 31 December 2024	(47,558)
Accrual	(10,235)
As at 31 December 2025	(57,793)

As of 31 December 2025, the Group's VAT recoverable is Tenge 343,539 million, including VAT recoverable from loss-making gas sales on the domestic market. During 2025, the Group accrued a provision for VAT recoverable in the amount of Tenge 10,235 million for 2020 (during 2024 in the amount of Tenge 5,744 million for 2019).

11 Cash and Cash Equivalents

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Short-term deposits in Tenge	250,442	228,105
Current accounts in a foreign currency	158,344	280,444
Current accounts in Tenge	99,828	84,214
Reverse repurchase agreements ("reverse repo") with original maturity of less than three months in Tenge	29,000	-
Short-term deposits in a foreign currency	3,053	3,203
Reverse repurchase agreements ("reverse repo") with original maturity of less than three months in a foreign currency	2,132	10,647
Cash on hand	4	5
Balances on brokerage accounts payable on demand	1	1
Cash in transit	-	6
	542,804	606,625

Cash and cash equivalents are denominated in various currencies as follows:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Tenge	379,276	312,331
US Dollars	162,714	293,422
Russian Rubles	794	843
Other currencies	20	29
	542,804	606,625

As of 31 December 2025, deposits were placed in banks at interest rates of 13.77-17.85% per annum in tenge (2024: 13.08-15.05% per annum) and 0-5% in foreign currency (2024: 0%-13% per annum).

As of 31 December 2025, interest rates on cash in current accounts with banks and financial institutions ranged from 0-17.8% per annum in tenge (2024: 0-14.71%) and 0%-2.85 in foreign currency (2024: 0%-5.83%).

Information about credit risks is presented in Note 32.

12 Inventories

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Gas	76,543	83,706
Materials and supplies	5,409	7,305
	81,952	91,011

Materials and supplies mainly include spare parts for maintenance of gas transportation system, methanol and lubricating materials to be used in the gas transportation equipment and the goods for internal use. Gas includes fuel gas and gas for sale.

13 Trade and other Receivables

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Trade receivables from third parties		184,297	173,716
Trade receivables from related parties	30	76,971	51,891
Other receivables from related parties	30	3	18,135
Other receivables from third parties		2,997	1,523
		264,268	245,265
Less: allowance for expected credit losses		(9,556)	(8,133)
		254,712	237,132

Movements in the allowance for expected credit losses (ECL) were as follows:

<i>In millions of Tenge</i>	Collectively impaired
At 31 December 2023	(7,973)
Accrual for the year	(12,446)
Foreign currency translation	(477)
Write off	5,584
Reversal	7,179
At 31 December 2024	(8,133)
Accrual for the year	(5,081)
Foreign currency translation	23
Write off	2,880
Reversal	755
At 31 December 2025	(9,556)

As at 31 December, trade and other receivables were denominated in the following currencies:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Tenge	179,272	144,091
US Dollar	75,440	93,041
	254,712	237,132

Trade and other receivables are non-interest bearing.

13 Trade and other Receivables (Continued)

As at 31 December 2025, the Group's trade receivables are mainly represented by receivables for gas sales to the domestic market in the amount of Tenge 163,446 million, and for export in the amount of Tenge 64,783 million (31 December 2024: the Group's trade receivables are mainly represented by receivables for gas sales to the domestic market in the amount of Tenge 110,292 million, and for export in the amount of Tenge 73,658 million).

As at 31 December 2024, the Group's other receivables mainly consist of receivables for the return of paid amounts for gas transportation from joint ventures due to the failure to implement the investment program and tariff adjustments in the amount of Tenge 18,035 million for 2024. During 2025, an additional amount of Tenge 396 million was accrued and paid that relates to 2025.

Information about credit risks is presented in Note 32.

14 Equity

Share capital

Common shares issued into circulation, with a par value of:	31 December 2025		31 December 2024	
	Value of issued and paid shares, in million tenge	Number of issued and paid shares	Value of issued and paid shares, in million tenge	Number of issued and paid shares
100 Tenge	31,217	312,167,670	31,217	312,167,670
138 Tenge	-	1	-	1
2,500 Tenge	77,442	30,976,655	77,442	30,976,655
10,000 Tenge	304,551	30,455,065	304,551	30,455,065
17,632 Tenge	17,750	1,006,717	17,750	1,006,717
9,294,167 Tenge	9,294	1,000	9,294	1,000
16,915,397 Tenge	16,915	1,000	16,915	1,000
29,990,500 Tenge	300	10	-	-
38,737,143 Tenge	38,737	1,000	38,737	1,000
243,931,446 Tenge	243,932	1,000	-	-
Total	740,138	374,610,118	495,906	374,609,108

Dividends on common shares are paid at the Shareholder's discretion. During 2025, the Group did not pay dividends to the Sole Shareholder (2024: Tenge 22,810 million).

On March 5, 2025, ordinary shares of QazaqGaz NC JSC in the quantity of 1,000 (one thousand) shares were placed with Samruk-Kazyna JSC at an offering price of Tenge 243,931,446, for a total consideration in the form of assets received amounting to Tenge 243,932 million (Note 6).

On April 3, 2025, ordinary shares of QazaqGaz NC JSC in the quantity of 10 (ten) shares were placed with Samruk-Kazyna JSC at an offering price of Tenge 29,990,500 for a total consideration in the form of assets received amounting to Tenge 300 million (Note 6).

On 14 February 2024, ordinary shares of QazaqGaz NC JSC in the quantity of 1,000 (one thousand) shares were placed at an offering price of Tenge 38,737,143 under the preemptive purchase right by transferring 100% of the shareholding in GPC Investment LLP in accordance with the transfer agreement between Samruk-Kazyna JSC and QazaqGaz NC JSC for a total amount of Tenge 38,737 million. As of the date of acquisition of the subsidiary, the difference between the acquisition cost and the net assets of GPCI amounted to Tenge 3,807 million and was recognized in retained earnings.

On 9 October 2024, ordinary shares of NC QazaqGaz JSC in the quantity of 1,000 (one thousand) shares were placed at an offering price of Tenge 9,294,167 by transferring 100% of the share in AsiaGas Chundja LLP in accordance with the Transfer Agreement between Samruk-Kazyna JSC and NC QazaqGaz JSC for a total amount of Tenge 9,294 million. As of the date of acquisition of the subsidiary, the difference between the acquisition cost and the net assets of AsiaGas Chundzha amounted to Tenge 4,148 million and was recognized in retained earnings.

Additional paid-in capital

During 2025, the Group (ICA) issued bonds for a total of Tenge 101,677 million, of which Tenge 48,877 million were issued at a below-market coupon rate (9.37%). The difference between the fair value and par value of these bonds, as well as the corresponding deferred tax for a total of Tenge 9,389 million, were recognized as additional paid-in capital (Note 15).

14 Equity (Continued)

Additional information disclosed in accordance with Kazakhstan Stock Exchange (“KASE”) requirements

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Total assets	4,666,325	4,323,355
Less: intangible assets	(5,053)	(4,405)
Less: total liabilities	(1,354,996)	(1,493,443)
Net assets for the calculation of the common share cost in accordance with KASE requirements	3,306,276	2,825,507
Number of common shares	374,610,118	374,609,108
Cost of one common share according to KASE requirements, in Tenge	8,826	7,543

In accordance with the decision of the Exchange Board of KASE dated 4 October 2010, the financial statements shall disclose the carrying amount of one share (common and preferred) as of the reporting date, calculated in accordance with the KASE rules.

Earnings per share

Basic and diluted earnings per share are calculated by dividing net income for the period attributable to common shareholders by the weighted average number of shares outstanding during the period. The weighted average number of common shares outstanding during a period is calculated by taking into account the number of common shares outstanding at the beginning of the period, adjusted by the number of shares repurchased or issued during the period, multiplied by a time weighting factor. Due to the fact that Samruk-Kazyna JSC is the sole shareholder of the Company, the market value of shares and their number are not adjusted.

The following table provides income and share data used to calculate basic earnings per share computations for the reporting periods:

	2025	2024
Net income attributable to the shareholder for basic and diluted earnings per share in millions of tenge	270,852	289,093
Weighted average number of common shares for basic and diluted earnings per share	374,609,942	374,608,215
Basic and diluted earnings per share for the year in Tenge	723,02	771,72
Basic and diluted earnings per share for the year from continuing operations in Tenge	709,45	799,41
Basic and diluted earnings per share for the year from discontinued operations in Tenge	13,57	(27,69)

15 Debt Securities Issued

As at 31 December 2025 and 2024, the debt securities issued comprised:

<i>In millions of Tenge</i>	Issue	Maturity	Interest rate	31 December 2025		31 December 2024	
				US Dollars	In millions of Tenge	US Dollars	In millions of Tenge
QG bonds	2017	2027	4.375%	706,320,000	357,066	706,320,000	370,896
ICA bonds	2024	2027-2034	9.25%-19%	-	239,348	-	142,622
QG Aimaq bonds	2015	2025	7.50%	-	-	-	5,000
				706,320,000	596,414	706,320,000	518,518
Plus: interest payable				-	12,438	-	6,114
Less: unamortised transaction costs				-	(66)	-	(106)
Less: discount				-	(24,987)	-	(15,827)
					583,799		508,699
Less: amount due within 12 months from the reporting date				-	(23,330)	-	(15,962)
Amounts due after 12 months				-	560,469	-	492,737

QG Bonds

On 26 September 2017, QG placed international coupon bonds (“Eurobonds”) in the total amount of USD 750,000,000 at a par value of USD 200,000 each with an interest rate of 4.375% per annum. The coupon is paid semi-annually on 26 March and 26 September until 26 September 2027.

ICA Bonds

During 2025, ICA, with the purpose of constructing the new Taldykorgan-Usharal gas pipeline, placed the seventh through fourteenth issues of its own bonds within the first bond program on the Kazakhstan Stock Exchange JSC platform for a total of Tenge 48,877 million with a coupon rate of 9.37% per annum and a maturity date of ten years. Coupon payments are made twice a year. The bonds were issued with a coupon rate below the market rate, and the fair value was calculated based on a market rate of 15.25% to 17.75%. The difference between the fair value and the par value of these bonds, as well as the corresponding deferred tax in the total amount of Tenge 9,389 million, were recognized as additional paid-in capital (Note 14).

During 2025, ICA placed the fourth, fifth, sixth, and eighth bond issues under the second bond program on the Kazakhstan Stock Exchange (KASE) for a total of Tenge 52,800 million with a coupon rate of 16.25% to 19% per annum and a maturity date of 2035 to modernize the Central Asia-Center gas pipeline. Coupon payments are made twice a year.

On October 29, 2024, in order to refinance the loan of Halyk Bank, ICA carried out a separate private issue of its own bonds on the platform of JSC Kazakhstan Stock Exchange in the amount of Tenge 14,850 million with a coupon rate of 15.25% per annum and a maturity date of October 29, 2027. During 2025, ICA repaid the principal debt on the refinanced loan in the amount of Tenge 4,950 million.

QG Aimaq Bonds

On September 23, 2025, QG Aimaq fully repaid the principal amount of its international bonds in the amount of Tenge 5,000 million in accordance with the repayment schedule.

Terms of issued debt securities

Under the terms of its debt securities, the Group is required to comply with certain covenants, including maintaining a debt-to-equity ratio of no more than 1.5. As of December 31, 2025, liabilities subject to these covenants amounted to Tenge 360,982 million.

In accordance with the terms of the agreements, the calculation of indicators for covenant compliance purposes is performed on a semi-annual basis. The Group assesses its compliance with covenants at each reporting date. As of December 31, 2025 and 2024, the Group is in compliance with all covenants.

16 Bank Loans

As at 31 December bank loans comprised:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Interest-bearing loans with fixed rate	8,628	14,074
Interest-bearing loans with floating rate	1,074	3,424
	9,702	17,498
Plus: interest payable	160	250
Less unamortised transaction costs	(73)	(136)
	9,789	17,612
Less: amount due within 12 months from the reporting date	(5,336)	(7,979)
Amounts due after 12 months	4,453	9,633

Interest-bearing loans with floating rate

European Bank for Reconstruction and Development (EBRD)

In accordance with the loan agreement dated 26 May 2016, during 2018-2020, ICA received three tranches of the loan from the EBRD for the modernization of the Bozoi UGS facility, which is repaid in 26 (twenty-six) equal quarterly payments starting from March 2020 for a total of Tenge 16,192 million. The interest rate is equal to the 6-month consumer price index (CPI) on an annualized basis with a spread of 100 basis points + a margin of 2.15%.

During 2025, ICA fully repaid the principal debt under the loan agreement in the total amount of Tenge 201 million (2024: repayment of the principal debt in the amount of Tenge 134 million).

In accordance with the loan agreement dated 26 May 2016, QG Aimaq received Tenge 17,185 million in several tranches for 10 years for the project “Gasification and modernization of the gas pipeline system in the Mangistau, Aktobe and Kostanay regions”. The interest rate is equal to 6-month CPI annualized with a spread of 100 basis points + margin of 2.15%.

In 2025, QG Aimaq repaid the principal amount of Tenge 2,148 million under the loan agreement (2024: Tenge 2,148 million). As of 31 December 2025, the total principal amount of QG Aimaq to EBRD under the above loan agreement is Tenge 1,074 million (2024: Tenge 3,222 million).

JSC Halyk Savings Bank of Kazakhstan

During 2022, in order to refinance the loan from the EBRD, ICA obtained a loan from Halyk Savings Bank of Kazakhstan JSC in the amount of Tenge 29,700 million, with an interest rate of 17.85%. Interest and principal payments were made in quarterly installments, starting from March 2023.

On 4 March 2024, an addendum to the loan agreement was concluded, according to which, starting from 6 March 2024, the interest rate was the base rate of the National Bank of the Republic of Kazakhstan plus 2% per annum of the bank loan amount. The interest rate was subject to revision every 6 months and was set at an amount equal to the base rate of the National Bank of the Republic of Kazakhstan, effective on the revision date, plus 2% per annum, while the minimum interest rate should not be lower than 15% per annum.

On 29 October 2024, ICA carried out a separate private issue of its own bonds on the platform of Kazakhstan Stock Exchange JSC in the amount of Tenge 14,850 million in order to refinance a loan from Halyk Savings Bank of Kazakhstan JSC. As of 31 December 2024, the loan from Halyk Savings Bank of Kazakhstan JSC was fully repaid.

16 Bank Loans (Continued)

Interest-bearing loans with fixed rate

Development Bank of Kazakhstan JSC

QG Aimaq has entered into several revolving credit facility agreements with Development Bank of Kazakhstan JSC for the projects “Modernization of the gas pipeline system in South Kazakhstan, Taraz, Kyzylorda, Aktobe” and “Construction of the backup line of the Uzen-Zhetybai gas pipeline”.

During 2025, QG Aimaq repaid the principal debt in the amount of Tenge 5,446 million (in 2024: Tenge 6,561 million). As at 31 December 2025, QG Aimaq has a total principal debt to Development Bank of Kazakhstan JSC under the above loan agreements in the amount of Tenge 8,628 million (2024: Tenge 14,074 million).

Terms of the loan agreement

In accordance with the terms of the bank loans, the Group is required to comply with certain covenants, such as (a) the ratio of financial debt less cash and cash equivalents (Net Financial Debt) to gross income less general and administrative expenses plus reverse depreciation and amortization (EBITDA) with a threshold of 4, (b) the ratio of Net Financial Debt to the sum of Net Financial Debt and equity with a maximum value of 0.5, (c) the ratio of debt to equity, (d) the debt burden ratio (Debt/EBITDA), (e) the ratio of cash flow from operations (FFO) to debt funds and the cost of equity. As of December 31, 2025, liabilities subject to these covenants amounted to Tenge 9,789 million.

The Group reviews compliance with bank loan covenants at each reporting date. Failure to comply with loan covenants entitles lenders to demand early repayment of the loans. As of 31 December 2025 and 2024, the Group is in compliance with all covenants.

NC QazaqGaz JSC
Notes to the Consolidated Financial Statements for the year ended 31 December 2025

17 Provisions

<i>In millions of Tenge</i>	Note	Provision for gas transportation expenses	Abandonment and site restoration provision	Gas pipeline abandonment and site restoration provision	Tax provisions	Other provisions	Total
At 31 December 2023		33,226	462	77,628	124	1,320	112,760
Accrued during the year		-	37	2,125	-	1,242	3,404
Foreign exchange loss, net		5,165	-	-	-	-	5,165
Change in estimates	6	-	29	(5,036)	-	-	(5,007)
Unwinding of discount		-	46	7,700	-	1	7,747
Transfers		-	-	-	(32)	-	(32)
Utilised		-	(7)	-	(92)	(1,296)	(1,395)
At 31 December 2024		38,391	567	82,417	-	1,267	122,642
Accrued during the year		-	121	1,169	-	1,307	2,597
Foreign exchange gain, net		(1,440)	-	-	-	-	(1,440)
Change in estimates	6	-	45	(4,214)	-	-	(4,169)
Unwinding of discount		-	57	8,376	-	11	8,444
Transfers		-	(10)	(23)	-	(216)	(249)
Utilised		-	-	(385)	-	(1,056)	(1,441)
At 31 December 2025		36,951	780	87,340	-	1,313	126,384
Current provisions as at 31 December 2025		36,951	-	-	-	1,185	38,136
Non-current provisions as at 31 December 2025		-	780	87,340	-	128	88,248
Current provisions as at 31 December 2024		38,391	-	-	-	1,267	39,658
Non-current provisions as at 31 December 2024		-	567	82,417	-	-	82,984

17 Provisions (Continued)

Provision for gas transportation expenses

As of 31 December 2025, the provision for gas transportation expenses represents a provision for reimbursement of costs associated with the transportation of borrowed gas from PetroChina International Co. Ltd.

As a result of the reorganization of QG Aimaq through the merger of KazTransGas Almaty JSC (“KTG Almaty”) in 2016, QG Aimaq is the legal successor to all obligations of KTG Almaty, including obligations under the Natural Gas Loan Agreement between AlmatyGazTrade LLP (KTG Almaty was the legal successor of AlmatyGazTrade LLP as a result of reorganization), PetroChina International Co. Ltd and Asian Gas Pipeline LLP.

As part of the Natural Gas Loan Agreement to reimburse costs and losses incurred by PetroChina International Co. Ltd due to gas borrowing and its return, during 2014 PetroChina International Co. Ltd demanded compensation for the 2nd, 3rd and 4th tranches of the gas loan in the total amount of US Dollars 164 million (equivalent to Tenge 83,021 million as of 31 December 2025), unsupported by primary documentation.

Management analyzed expenses claimed for reimbursement and recognized a provision in the amount US Dollars 73 million (equivalent to Tenge 36,951 million) as at 31 December 2025 (31 December 2024: equivalent to Tenge 38,391 million). Discrepancies between the amount claimed by PetroChina International Co. Ltd to be reimbursed, and the amount accrued in the consolidated financial statements, arose for the following types of expenses: technological losses during gas transportation through the territory of Uzbekistan, expenses for paying taxes and customs duties, fines for low-quality gas from Uzbekistan, loss for the difference in gas prices of different periods.

In 2025, foreign exchange gain on reserves amounted to Tenge 1,440 million (2024: foreign exchange loss of Tenge 5,165 million).

As of the issue date of these consolidated financial statements, management is still negotiating and is unable to estimate the likely timing of the cash outflow for this provision.

Gas pipeline abandonment and site restoration provision

The Group’s subsidiaries, ICA and QG Aimaq, recorded a provision for future costs of decommissioning the gas compressing plants and main gas pipelines on a discounted basis in accordance with the Law of the Republic of Kazakhstan “On Main Pipelines” and the Environmental Code of the Republic of Kazakhstan. As at 31 December 2025, gas pipeline abandonment and site restoration provision of Tenge 87,340 million (31 December 2024: Tenge 82,417 million) represents the current costs of gas pipeline abandonment and site restoration expected to be incurred from 2031 till 2055. See Note 3 for further details.

18 Lease Liabilities

The movements in the lease liabilities for the years ended 31 December 2025 and 2024 were presented as follows:

<i>In millions of Tenge</i>	Note	Gas transportation assets	Other	Total
1 January 2024		76,659	28	76,687
Interest expense	27	11,775	2	11,777
Lease payments		(33,475)	(4)	(33,479)
31 December 2024		54,959	26	54,985
Interest expense	27	7,988	1	7,989
Lease payments		(33,343)	(3)	(33,346)
31 December 2025		29,604	24	29,628
Current portion of lease liabilities as at 31 December 2025		29,604	16	29,620
Non-current portion of lease liabilities as at 31 December 2025		–	8	8
Current portion of lease liabilities as at 31 December 2024		25,355	17	25,372
Non-current portion of lease liabilities as at 31 December 2024		29,604	9	29,613

19 Contract Liabilities

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Liabilities from contracts with customers to third parties		15,470	14,041
Liabilities from contracts with customers to related parties		2	1
		15,472	14,042
Less: current portion of liabilities from contracts with customers		(4,117)	(3,523)
Non-current portion of liabilities from contracts with customers		11,355	10,519

During 2025, performance obligations in the amount of Tenge 2,239 million were recognized as revenue (2024: Tenge 2,570 million).

A contract liability is recognized when payment from the customer is received or becomes due (whichever occurs earlier) before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group satisfies its performance obligation (i.e. transfers control of the related goods or services to the customer).

20 Trade and Other Payables

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Trade payables to third parties		138,782	143,484
Trade payables to related parties	30	97,907	352,362
		236,689	495,846

As of 31 December 2024, the Group has trade accounts payable for the purchase of gas in the total amount of Tenge 266,342 million without a contract. Since the previous contracts were terminated, and the procedure for agreeing prices and concluding new contracts was not completed, the Group recognized the accounts payable using the accrual method based on the prices specified in the draft contract. On 14 February 2025, the gas purchase contract was signed for the period from 2023 to 2033.

Trade and other payables are represented by payables for purchased gas and for assets and services. Trade and other payables are non-interest bearing and are generally settled within 30 days.

As at 31 December, trade and other payables are denominated in the following currencies:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Tenge	134,856	130,304
US Dollars	101,802	365,462
Other currencies	31	80
	236,689	495,846

21 Employee benefit Liabilities

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Accrued bonuses to employees		18,943	17,314
Reserve for unused vacations		4,753	2,903
Salaries payable		370	298
Other		347	344
Less: current portion of liabilities		(24,117)	(20,567)
Non-current portion of liabilities		296	292

22 Revenue from Contracts with Customers

<i>In millions of Tenge</i>	Timing of revenue recognition	2025	2024
Type of goods or services			
Revenue from sales of gas	Over time	1,163,014	1,092,009
Revenue from gas transportation services	Over time	163,506	145,340
Revenue from technical maintenance of gas pipelines	Over time	18,095	15,479
Other	Over time	5,199	6,572
		1,349,814	1,259,400
Geographical markets			
Kazakhstan		647,512	513,223
China		600,436	663,748
Russia		99,988	80,005
Uzbekistan		1,878	2,424
		1,349,814	1,259,400

23 Cost of Sales

<i>In millions of Tenge</i>	Note	2025	2024
Cost of gas sold		861,604	752,574
Transportation expenses		242,949	286,766
Payroll costs and related contributions		114,365	100,042
<i>Including pension contributions</i>		5,233	3,899
Depreciation and amortization		61,487	50,570
Fuel gas and gas losses		31,869	25,999
Depreciation of right-of-use assets	7	22,265	22,265
Taxes other than income tax		17,172	16,318
Billing services		9,732	9,268
Security services		5,776	4,761
Repair and maintenance		5,747	4,831
Materials and supplies		3,262	2,523
Business trip expenses		2,439	2,147
Electricity		2,353	1,990
Expenses relating to short-term leases		1,222	1,257
Insurance		1,204	1,140
Communication expenses		1,078	1,046
Expenses on other services rendered		300	335
Other		7,172	5,826
		1,391,996	1,289,658

24 Management fee

The Group recognises a management fee related to the management of the KazMunayGas's joint venture, KazRosGas LLP, at a certain point in time based on the approval of the dividend declaration of KazRosGas LLP. During 2025, the Group recognised management fees in the amount of Tenge 17,105 million for 2024 (2024: Tenge 47,568 million for 2021 and 2023).

25 General and Administrative Expenses

<i>In millions of Tenge</i>	Note	2025	2024
Payroll costs and related contributions		21,475	20,181
<i>Including pension contributions</i>		923	852
VAT provision	10	10,235	5,744
Taxes other than income tax		4,502	1,549
Repair and maintenance		2,611	2,230
Third party services		1,807	2,028
Depreciation and amortization		1,789	1,913
Consulting services		1,555	1,399
Fines and penalties		1,498	898
Expenses relating to short-term leases and leases of low-value assets		917	705
Personnel development and qualification upgrade		806	752
Expenses for holding celebrations, cultural and sporting events		625	366
Business trip expenses		586	602
Bank charges		493	480
Office maintenance expenses		331	326
Communication services		138	125
Security services		24	21
Depreciation of right-of-use assets	7	2	2
Charity assistance		–	1,000
Other		3,129	3,523
		52,523	43,844

26 Interest Income Calculated Using the Effective Interest Method

<i>In millions of Tenge</i>	2025	2024
Interest income on bank deposits and cash and cash equivalents	74,548	39,869
Unwinding of discount on financial assets at amortized cost	5,260	349
Interest income on other financial assets at amortized cost	1,378	957
Interest income on other financial assets at fair value through other comprehensive income	275	45
Interest income on loan issued to a related party	20	–
Amortization of discount on loan issued to a related party	–	1,876
	81,481	43,096

27 Finance Costs

<i>In millions of Tenge</i>	Note	2025	2024
Interest on debt securities issued		20,520	15,244
Unwinding of discount on gas pipeline abandonment and site restoration provisions		8,433	7,746
Interest expense on lease liabilities	18	7,989	11,777
Interest on bank loans and overdrafts		1,566	3,782
Unwinding of discount on debt securities issued		905	191
Amortization of capitalized loan origination costs		63	220
Discount on loan issued to a related party		–	705
Unwinding of discount on financial liabilities		–	434
Other		645	530
		40,121	40,629

28 Foreign exchange gain/(loss), net

<i>In millions of Tenge</i>	2025	2024
Net (loss)/profit on exchange rate differences from operating activities	(9,367)	10,331
Net profit/(loss) on exchange rate differences from financing activities	14,020	(49,975)
	4,653	(39,644)

29 Income Tax Expenses

The Group is a subject to corporate income tax at the prevailing statutory rate of 20%.

<i>In millions of Tenge</i>	2025	2024
Current income tax expense	14,436	9,827
Excess profit tax benefit/expenses	(120)	210
Deferred income tax benefit	(8,026)	(16,306)
Adjustment of prior years' income tax	270	9,238
	6,560	2,969

A reconciliation of corporate income tax expenses applicable to profit before taxation at the statutory income tax rate, with the current income tax expense reported in the IFRS financial statements for the years ended 31 December is as follows:

<i>In millions of Tenge</i>	2025	2024
Profit before income tax	272,327	302,435
Statutory tax rate	20%	20%
Theoretical income tax expense	54,465	60,487
Tax effect of permanent differences		
Provision for non-recoverable VAT	2,047	1,149
Change in unrecognized deferred tax assets	1,824	2,947
Impairment of non-current assets	1,720	593
Non-deductible capitalized costs	969	1,089
Non-deductible expenses related to gas	834	706
Write-off of other receivables	393	1,595
Tax on interest on financial assets	688	–
Prior Year Deferred Income Tax Adjustments	488	–
Insufficient provision for current taxation in previous years	270	5,457
Non-taxable/non-deductible foreign exchange differences, net	42	583
Taxes other than income tax	28	57
Excess profit tax	(120)	210
Share of profit of joint ventures	(61,549)	(74,229)
Other	4,461	2,325
	6,560	2,969
Tax benefit recognised in other comprehensive income	(3)	(6)
Income tax expense reported in the consolidated statement of comprehensive income	6,557	2,963

29 Income Tax Expenses (Continued)

QG recognized interest expense and foreign exchange differences in the statement of comprehensive income on a bank loan that was obtained for the purpose of refinancing a previous loan. This loan resulted in foreign exchange gains in prior periods that were not included in total annual taxable income due to the fact that the loan was not related to income-generating activities. Management believes that its interpretation of tax laws is appropriate, and it is probable that it will be able to justify its position to the tax authorities. Management believes that the risk of additional charge as of 31 December 2025 and 2024 is low. Accordingly, no additional tax liabilities have been recognized by the Group in these consolidated financial statements. The amount of possible additional charge is approximately Tenge 20,000 million.

NC QazaqGaz JSC
Notes to the Consolidated Financial Statements for the year ended 31 December 2025

29 Income Tax Expenses (Continued)

The carried forward losses of previous years are mainly related to the losses of the current period due to the increase in expenses on the cost of purchased gas. With an increase in tariffs for the sale of gas by 33% in the future, the Group expects to make a profit, thereby reducing its taxable base by the amount of the carried forward loss.

As at 31 December 2025 and 2024, components of deferred income tax assets and liabilities are as follows:

<i>In millions of Tenge</i>	31 December 2025	Charged to profit and loss	Charged to other comprehensive income	Charged to equity	31 December 2024	Charged to profit and loss	Charged to other comprehensive income	Charged to equity	31 December 2023
Deferred tax assets									
Tax loss carry forwards for prior years	35,394	10,466	-	-	24,928	22,959	-	-	1,969
Expenses recognized on an accrual basis	2,302	2,302	-	-	-	-	-	-	-
Other provisions	22,779	1,237	-	-	21,542	1,842	-	-	19,700
Lease liabilities	5,921	(5,071)	-	-	10,992	(4,340)	-	-	15,332
Inventory	4,248	4,248	-	-	-	-	-	-	-
Provision for gas transportation expenses	7,963	(288)	-	-	8,251	1,033	-	-	7,218
Deferred income	2,387	165	-	-	2,222	(60)	-	-	2,282
Tax loss under trust management agreement	7,584	2,112	-	-	5,472	1,914	-	-	3,558
Allowance for expected credit losses	1,892	264	-	-	1,628	(78)	-	(256)	1,962
Financial guarantee liabilities	-	-	-	-	-	-	-	(284)	284
Other	198	(221)	3	-	416	(10)	6	(1,081)	1,501
	90,668	15,214	3	-	75,451	23,260	6	(1,621)	53,806
Less: provision for deferred tax assets of the Group	(15,546)	(1,823)	-	-	(13,723)	(2,947)	-	-	(10,776)
	75,122	13,391	3	-	61,728	20,313	6	(1,621)	43,030
Deferred tax liabilities									
Property, plant and equipment and intangible assets	(102,880)	(9,828)	-	-	(93,052)	(8,167)	-	(115)	(84,770)
Right-of-use assets	(4,453)	4,453	-	-	(8,906)	4,453	-	-	(13,359)
Debt securities issued	(4,969)	477	-	(2,347)	(3,099)	37	-	(3,136)	-
Other non-current assets	(1,989)	(467)	-	-	(1,522)	(330)	-	-	(1,192)
	(114,291)	(5,365)	-	(2,347)	(106,579)	(4,007)	-	(3,251)	(99,321)
Net deferred tax liabilities	(39,169)	8,026	3	(2,347)	(44,851)	16,306	6	(4,872)	(56,291)

29 Income Tax Expenses (Continued)

Deferred tax assets and liabilities relate to various entities of the Group and may not be offset against each other in accordance with the tax legislation, Net deferred tax position of the Group entities is as follows:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
Deferred tax assets	45,617	28,450
Deferred tax liabilities	(84,786)	(73,301)
Net deferred tax liabilities	(39,169)	(44,851)

As at 31 December 2025, the Group had corporate income tax prepaid of Tenge 57,444 million (31 December 2024: Tenge 54,476 million) and income tax payable of Tenge 809 million (2024: Tenge 133 million).

30 Related Party Transactions

Related parties include key management personnel of the Group, entities in which a substantial interest is owned, directly or indirectly, by the Group's key management personnel, Samruk-Kazyna Group companies (entities under common control), Government (other state-controlled entities), joint ventures, in which the Group is a participant, joint ventures, the participants of which are Samruk-Kazyna and the Government, and associates, the participants of which are Samruk-Kazyna and the Government.

In accordance with IAS 24.26, the Group discloses information about individually significant transactions with the government and government-related entities and provides qualitative and quantitative information about other transactions that are collectively, but not individually, significant.

Terms and conditions of transactions with related parties

Transactions with related parties were entered into on terms agreed upon by the parties, which may not necessarily be at market rates, except for gas transportation services, which are provided based on tariffs available to third parties. Outstanding balances at the end of the year are unsecured, non-interest bearing and settled in cash, except as noted below.

The income and expense items with related parties for the years ended 31 December 2025 and 2024 were as follows:

<i>In millions of Tenge</i>	Note	2025	2024
Sales of goods and services			
Joint ventures in which the Group is a venturer		26,049	22,849
Entities under control of Samruk-Kazyna		29,255	18,305
Entities under control of the Government		89,541	79,680
Joint ventures in which Samruk-Kazyna and the Government are venturers		7,473	6,141
Associates in which Samruk-Kazyna and the Government are participants		1,206	179
Entities under significant Government influence		34,049	26,016
		187,573	153,170
Management fee			
Entities under control of Samruk-Kazyna	24	17,105	47,568
		17,105	47,568
Interest income calculated using the effective interest method			
Samruk-Kazyna		1,378	957
Joint ventures in which the Group is a venturer		20	-
Entities under control of Samruk-Kazyna		10,960	2,355
Entities under control of the Government		9,131	349
		21,489	3,661

30 Related Party Transactions (Continued)

<i>In millions of Tenge</i>	Note	2025	2024
Purchases of goods and services			
Joint ventures in which the Group is a venturer		217,516	267,799
Entities under control of Samruk-Kazyna		32,501	24,689
Entities under control of the Government		1	3
Joint ventures in which Samruk-Kazyna and the Government are venturers		292,468	315,508
Associates in which Samruk-Kazyna and the Government are participants		636	568
		543,122	608,567
Finance costs			
Samruk-Kazyna		4,869	285
Entities under control of Samruk-Kazyna		56	1,196
Entities under control of the Government		2,368	1,828
Joint ventures in which Samruk-Kazyna and the Government are venturers		7,988	11,775
		15,280	15,084
Dividends			
Joint ventures in which the Group is a venturer		342,162	541,463
		342,162	541,463

At 31 December 2025 and 2024, the outstanding balances with related parties were as follows:

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Trade and other receivables			
	13		
Joint ventures in which the Group is a venturer		21,489	32,136
Entities under control of Samruk-Kazyna		5,368	4,145
Entities under control of the Government		43,626	28,014
Joint ventures in which Samruk-Kazyna and the Government are venturers		1,019	729
Associates in which Samruk-Kazyna and the Government are participants		84	15
Entities under significant Government influence		5,388	4,987
		76,974	70,026
Loans to related parties			
Joint ventures in which the Group is a venturer		2,049	-
		2,049	-
Other financial assets			
	9		
Entities controlled by the Government		-	60,095
		-	60,095
Cash and cash equivalents			
Entities under control of Samruk-Kazyna		17	58,268
Entities under control of the Government		12	1
		29	58,269

30 Related Party Transactions (Continued)

<i>In millions of Tenge</i>	Note	31 December 2025	31 December 2024
Trade and other payables	20		
Joint ventures in which the Group is a venturer		52,975	53,219
Entities under control of Samruk-Kazyna		4,989	3,791
Joint ventures in which Samruk-Kazyna and the Government are venturers		37,862	294,627
Associates in which Samruk-Kazyna and the Government are participants		2,081	725
		97,907	352,362
Borrowings			
Entities under control of the Government		62,827	14,188
		62,827	14,188
Lease liabilities	18		
Joint ventures in which Samruk-Kazyna and the Government are venturers		29,604	54,959
		29,604	54,959
Debt securities issued			
Entities under control of Samruk-Kazyna and the Government		222,817	128,864
		222,817	128,864

As of 31 December 2025, the Group has a gas purchase obligation in the amount of Tenge 1,425,749 million to a joint venture in which Samruk-Kazyna JSC and the Government of the Republic of Kazakhstan are a participant.

In December 2025, the Group decided to enter into a mutual liabilities and guarantee agreement to secure the performance of the obligations of the joint venture, in which Samruk-Kazyna is a participant, under a gas processing agreement. As of 31 December 2025, this agreement was not effective, as not all parties had adopted the necessary corporate resolutions to enter into it. The agreement applies to the parties' relations beginning on 1 January 2026.

Compensation to key management personnel

Key management personnel consist of members of the Management Board and independent directors of the Company, a total of 13 people. In 2025 and 2024, the total amount of compensation to key management personnel amounted to Tenge 738 million and Tenge 700 million for members of the Management Board, as well as Tenge 75 million and Tenge 74 million for independent directors, respectively. These amounts, which mainly include salaries and other payments, were reflected in general and administrative expenses in the consolidated statement of comprehensive income.

31 Commitments and Contingencies

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.

Liabilities on purchase of gas transportation services to the joint ventures

As at 31 December 2025, the Group has liability on purchase of gas transportation services of Tenge 143,089 million excluding VAT to AGP (31 December 2024: Tenge 177,033 million).

As at 31 December 2025, the Group has no liability on purchase of gas transportation services to BShP (31 December 2024: Tenge 209,368 million).

31 Commitments and Contingencies (Continued)

Commitments for capital expenditures and investment programs

As at 31 December 2025, the Group has capital commitments of Tenge 151,774 million, excluding VAT (31 December 2024: Tenge 280,486 million, excluding VAT), related to the acquisition and construction of non-current assets. As at 31 December 2025, contractual commitments of GPCI, a disposal group classified as held for sale, for the acquisition of property, plant and equipment and construction services amount to Tenge 97,263 million, excluding VAT (31 December 2024: Tenge 178,244 million, excluding VAT).

As at 31 December 2025, the Group has commitments under approved investment programs for 2022-2030 in the amount of Tenge 113,064 million (31 December 2024: Tenge 106,968 million). During 2025, the Group completed work under investment programs for a total of Tenge 51,593 million, mainly related to comprehensive works on the SAC-5 and Luping SAC-4 main gas pipelines (during 2024: for a total of Tenge 40,938 million, mainly related to the construction of the second string of the Almaty-Baiserke-Talgar main gas pipeline and comprehensive works on the SAC-5, SAC-4 and Luping SAC-4 main gas pipelines).

BBS 2 Capital Expenditure and Investment Program Commitments

As of December 31, 2025, the Group's share of BBS 2's commitments for investment programs for 2025–2029 amounted to Tenge 2,483,583 million.

Commitments of AGP and BShP

The Group's share in the capital commitments of AGP and BShP is as follows:

<i>In millions of Tenge</i>	31 December 2025	31 December 2024
AGP	18.546	17.896
BShP	647	3.065

Taxation

Kazakhstan's tax legislation and regulations are subject to ongoing changes and varying interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual, including opinions in respect of IFRS accounting of revenues, expenses and other items in the financial statements. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe. Fiscal periods remain open to review by the tax authorities for 5 (five) calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

Tax contingencies of BShP

According to the terms of the intergovernmental agreement between the Republic of Kazakhstan and the People's republic of China on cooperation in the construction and operation of the Kazakhstan-China gas pipeline dated 18 August 2007 (the "Agreement"), as well as the clarifications of the Tax Committee of the Ministry of Finance of the Republic of Kazakhstan dated 30 December 2014, BShP, which was established on the territory of the Republic of Kazakhstan for the purposes of the construction and operation of the "Beineu-Bozoi-Shymkent" gas pipeline, is exempt from paying value added tax on goods imported into the territory of the Republic of Kazakhstan until the completion of construction. In addition, BShP is exempt from corporate income tax and property tax until the date of repayment of loans obtained for the construction of the "Beineu-Bozoi-Shymkent" gas pipeline.

Management believes that as at 31 December 2025 and 31 December 2024 it correctly interpreted the relevant provisions of legislation, and the probability of retaining the tax benefits mentioned above over the established period is high.

In addition, BShP is carrying out a project to amend the above Agreement, the implementation of which will confirm the current exemption from the above taxes in connection with the refinancing of the initial loan raised for the construction of the Second section of the Kazakhstan-China gas pipeline.

31 Commitments and Contingencies (Continued)

If BShP had not had tax preferences mentioned above related to modification of loan terms, the following tax liabilities would have reduced share of income of joint ventures and investments in joint ventures as at 31 December 2025:

- corporate income tax of Tenge 67,837 million, including penalties for understatement of tax amounts in tax returns of Tenge 54,270 million, of which:
 - 2019 – Tenge 1,379 million, penalties – Tenge 1,103 million;
 - 2020 – Tenge 12,710 million, penalties – Tenge 10,168 million;
 - 2021 – Tenge 13,816 million, penalties – Tenge 11,053 million;
 - 2022 – Tenge 10,934 million, penalties – Tenge 8,747 million;
 - 2023 – Tenge 13,631 million, penalties – Tenge 10,905 million;
 - 2024 – Tenge 9,757 million, penalties – Tenge 7,805 million;
 - 2025 – Tenge 5,612 million, penalties – Tenge 4,489 million;
- property tax of Tenge 15,733 million, including penalties for understatement of tax amounts in tax returns of Tenge 12,586 million, of which:
 - 2019 – Tenge 1,259 million, penalties – Tenge 1,007 million;
 - 2020 – Tenge 2,429 million, penalties – Tenge 1,943 million;
 - 2021 – Tenge 2,469 million, penalties – Tenge 1,975 million;
 - 2022 – Tenge 2,461 million, penalties – Tenge 1,969 million;
 - 2023 – Tenge 2,429 million, penalties – Tenge 1,944 million;
 - 2024 – Tenge 2,429 million, penalties – Tenge 1,944 million;
 - 2025 – Tenge 2,256 million, penalties – Tenge 1,805 million;
- deferred tax liability of Tenge 5,145 million.

If BShP had not had tax preferences mentioned above related to modification of loan terms, the following tax liabilities would have reduced share of income of joint ventures and investments in joint ventures as at 31 December 2024:

- corporate income tax of Tenge 62,226 million, including penalties for understatement of tax amounts in tax returns of Tenge 49,781 million, of which:
 - 2019 – Tenge 1,379 million, penalties – Tenge 1,103 million;
 - 2020 – Tenge 12,710 million, penalties – Tenge 10,168 million;
 - 2021 – Tenge 13,816 million, penalties – Tenge 11,053 million;
 - 2022 – Tenge 10,934 million, penalties – Tenge 8,747 million;
 - 2023 – Tenge 13,631 million, penalties – Tenge 10,905 million;
 - 2024 – Tenge 9,757 million, penalties – Tenge 7,805 million;
- property tax of Tenge 13,476 million, including penalties for understatement of tax amounts in tax returns of Tenge 10,781 million, of which:
 - 2019 – Tenge 1,259 million, penalties – Tenge 1,007 million;
 - 2020 – Tenge 2,429 million, penalties – Tenge 1,943 million;
 - 2021 – Tenge 2,469 million, penalties – Tenge 1,975 million;
 - 2022 – Tenge 2,461 million, penalties – Tenge 1,969 million;
 - 2023 – Tenge 2,429 million, penalties – Tenge 1,944 million;
 - 2024 – Tenge 2,429 million, penalties – Tenge 1,944 million;
- deferred tax liability of Tenge 6,315 million.

31 Commitments and Contingencies (Continued)

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 transactions 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 prices determined on the arm's length principle. As a result, the application of transfer pricing law to different types of transactions is not clear.

Due to uncertainties associated with the Kazakhstani law on transfer pricing, there is a risk that the tax authorities may have an opinion different from that of the Group, which may result in additional taxes, fines and penalties as of 31 December 2025 and 31 December 2024. The management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group's transfer pricing position will be sustained. In management's opinion, there is no risk of additional changes as of 31 December 2025 and 2024.

Environmental matters

The Group is subject to various environmental laws and regulations. Management believes that the Group complies with requirements of the legislation related to environmental matters and there are no probable or potential environmental liabilities that could have a material adverse effect on the Group's consolidated financial results and financial position.

Legal proceedings and claims

Legal proceedings of ICA

On 13 October 2025, the ICA filed an application with the International Arbitration Centre (hereinafter referred to as the IAC) to commence arbitration proceedings against Uztransgaz JSC. The subject of the dispute is Uztransgaz JSC's debt under a gas transportation contract in the amount of USD 2 million (equivalent to Tenge 1,048 million), arising from services rendered in 2024. There are no disagreements between the parties regarding transactions for 2025. In accordance with the terms of the contract, the applicable law is the current legislation of the Republic of Kazakhstan, and unresolved disputes are subject to consideration by the IAC. The Group's management assessed the likelihood of non-collection of this receivable by the counterparty as high and, accordingly, recognized its full impairment in the amount of Tenge 1,116 million in the consolidated financial statements for 2025. As of 31 December 2025, the dispute is pending arbitration proceedings.

Claim from the subcontractor GPCI

From the conclusion of the subcontract agreement in 2022 with Qazaq Zher Kurylys LLP (now Kazakh Construction Group LLP) until June 15, 2023, JSC NGSK KazStroyService (hereinafter referred to as KSS) performed construction and installation work at its own expense. By letter dated June 15, 2023, KSS announced the termination of the agreement and the cessation of work. Due to the above, an advance payment of 1,192 million tenge is required for the work. The terms of the EPC contract do not provide for direct payment to the subcontractor for the work. The Group's management assesses the likelihood of additional losses from this claim as moderate; therefore, no corresponding provision was recognized in the consolidated financial statements as of December 31, 2025.

BShP legal proceedings

Unscheduled inspection of the Department of Ecology in Kyzylorda region on BShP

In the period of 2021-2022, BShP purchased compressor stations from the Group. In February 2022, the Department of Ecology for the Kyzylorda Region (the "Department"), unilaterally, without the knowledge of BShP, cancelled environmental permits for facilities located in the Kyzylorda Region.

In May 2022, BShP submitted an application to the Department of Natural Resources to renew its environmental permit and received a notification of acceptance. Due to the refusal to renew, BShP applied for a new permit, which was issued on December 27, 2022. Despite this, following an unscheduled inspection in July 2023, the Department of Ecology drew up a violation report, issued an administrative violation report, and ordered the imposition of an administrative penalty.

BShP appealed the Department's actions, but the complaint was dismissed. In November 2023, the appellate panel of the Kyzylorda Regional Court overturned the first-instance court's decision and remanded the case for a new trial. In December 2023, the claim to invalidate the decision to revoke the permits was transferred to the specialized inter-district administrative court (hereinafter referred to as the "SIAC") of Astana.

31 Commitments and Contingencies (Continued)

In January 2024, a judge of the Supreme Court of the Republic of Kazakhstan ordered the case to be returned to the Kyzylorda SIAC. On April 17, 2024, the Kyzylorda SIAC dismissed the BShP's administrative claim. On July 11, 2024, the Kyzylorda Regional Court's Administrative Division, having reviewed the appeal, upheld the trial court's decision and dismissed the appeal.

Additionally, on June 28, 2024, following an inspection of the Karaozek CS facility, a ruling was issued imposing an administrative penalty in the amount of Tenge 531 million. An appeal against this ruling was dismissed by the Criminal Cases Panel of the Kyzylorda Regional Court, and the fine of Tenge 531 million was paid on September 17, 2024.

By a ruling of the Judicial Collegium for Administrative Cases of the Supreme Court of the Republic of Kazakhstan dated April 1, 2025, the actions of the authorized body to revoke environmental permits for the Korkyt Ata Compressor Station (CS) were deemed illegal. BShP appealed to the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan with a request to reinstate the permits and repeal the administrative violation orders. The Ministry of Ecology and Natural Resources of the Republic of Kazakhstan confirmed the illegality of the revocation but noted the lack of technical feasibility of restoring the permits on the eGov.kz portal. In November 2025, BShP submitted an application to National Information Technologies JSC to reinstate the environmental permit, after which it is planned to consider the refund of the previously paid fine. A similar legal challenge to the Karaozek CS is also being considered. Proceedings have been initiated, but a decision has not been made as of the reporting date.

In 2024, BShP recognized a provision for potential fines for other similar projects, accounting for the related expenses within other expenses. Given the provisions of Article 62 of the Code of the Republic of Kazakhstan "On Administrative Offenses" and the expiration of the statute of limitations for administrative liability as of the reporting date, the likelihood of fines being imposed is assessed as low. Therefore, the previously recognized provision was fully reversed in 2025. The Group's share of the total previously recognized provision for potential fines due to BShP's lack of an environmental permit was Tenge 1,462 million.

Insurance matters

The insurance industry in the Republic of Kazakhstan is in a developing stage and many forms of insurance protection common in other parts of the world are not yet available in the Republic of Kazakhstan. The Group does not have coverage for its plant facilities, business interruption or third-party liability in respect of property or environmental damage arising from accidents on Group property or relating to Group operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the consolidated financial performance of the Group and its consolidated financial position.

Commitments under subsoil use contract

In accordance with the terms of subsoil use contract, EP QazaqGaz's conditional commitments to the Government amounted to US Dollars 11 million (equivalent to Tenge 1,574 million) related to the cost of collecting geological and geophysical data and drilling costs incurred by the Government. This long-term commitment was to enter in force after confirmation of commercial discovery of gas at the Kumyrlı-Koskudyk, Anabay-Maldybai, Barkhannaya-Sultankudyk, Ucharal-Ucharal North and Kempirtobe fields.

Production at the Airakty field commenced in 2017. QazaqGaz EP has committed to reimbursing historical costs for the Airakty gas field until 2027. The reimbursement payment for historical costs, totaling 342 million tenge, is to be made quarterly for 10 years from the commencement of production.

QazaqGaz EP has committed to reimbursing historical costs for the Anabay gas field until 2033. Payments to reimburse historical costs in the amount of 33 million tenge must be made quarterly for 10 years from the start of production.

QazaqGaz EP also committed to reimbursing historical costs for the Barkhannaya-Sultankuduk section. The payment for reimbursement of historical costs in the amount of 95 million tenge must be made quarterly in equal installments over a period not exceeding the term of the subsoil use contract, but no more than 10 years from the commencement of production.

On November 1, 2024, a Contract for the exploration and production of hydrocarbons at the Maldybai site in the Zhambyl region was signed between the Ministry of Energy of the Republic of Kazakhstan and QG. Under a supplementary agreement to the Contract, subsoil use rights were transferred to QazaqGaz EP. The term of the Contract is combined and consists of an exploration period of eighteen (18) years and a production period of twenty-five (25) years, and is valid from November 1, 2024, to November 1, 2067. Financial liabilities under the Contract during the exploration period in 2026-2027 are expected to amount to Tenge 4,542 million, the majority of which is for seismic exploration and drilling.

31 Commitments and Contingencies (Continued)

On July 30, 2024, a joint venture and financing agreement was signed between QG and KOR. Under this agreement, KOR Oil Company JSC will provide full financing (carry financing) for the exploration period at the Shalqar site. KOR transferred subsoil use rights to an affiliate, Bozoy Operating LLC.

On June 24, 2025, a Contract for exploration and production of hydrocarbons under complex projects at the Akkuduk site in the Mangistau region of the Republic of Kazakhstan was signed between the Ministry of Energy of the Republic of Kazakhstan, JSC National Company QazaqGaz and JSC Oil Company KOR. The term of the Contract is combined and consists of an exploration period of eighteen (18) years and a production period of twenty-five (25) years, and is valid until June 24, 2068. Financial obligations under the Contract during the exploration period in 2026-2030 are expected to amount to Tenge 4,530 million, the main part of which is for drilling one independent and one dependent exploratory wells with a depth of 1,500 m and 3,000 m, respectively.

On June 24, 2025, a Contract for exploration and production of hydrocarbons under complex projects at the Severyn-2 site in the Aktobe region of the Republic of Kazakhstan was signed between the Ministry of Energy of the Republic of Kazakhstan, JSC National Company QazaqGaz and JSC KazAzot. The term of the Contract is combined and consists of an exploration period of eighteen (18) years and a production period of twenty-five (25) years, and is valid until June 24, 2068. Financial obligations under the Contract during the exploration period in 2026-2028 are expected to amount to Tenge 2,570 million, the main part of which is for the drilling of one independent and one dependent exploratory well with a depth of 2,000 m each.

As of 31 December 2025, in accordance with the minimum work program for the period 2026-2059, the Group has obligations under the Subsoil Use Contracts for a total of Tenge 320,373 million (31 December 2024: Tenge 329,369 million).

As of 31 December 2024, and 2023, QazaqGaz EP has completed the minimum work program.

Compensatory planting obligations

In the period from 2016 to 2023, in accordance with the Resolutions of the Government of the Republic of Kazakhstan No. 730 dated 23 September 2022 and No. 963 dated 2 November 2023 "On the Transfer of Certain areas of Forest Fund Lands to Lands of Another Category" (the "Resolution"), the Group transferred lands from the forest fund category to industrial lands of the Airakty and Anabai deposits (a total of 10,736 hectares). In accordance with the Forest Code of the Republic of Kazakhstan dated 8 July 2003, the Group undertakes to carry out compensatory planting of forest crops in the amount of twice the area of the transferred area and care for forest crops during the first three years after their planting.

In 2025, forest planting was completed in five districts of the Zhambyl region, covering a total area of 227.2 hectares. QazaqGaz EP is currently conducting procurement procedures to select a contractor. As of December 31, 2025, QazaqGaz EP has recognized obligations for compensatory planting in the amount of Tenge 216 million.

32 Financial Instruments and Financial Risk Management Objectives and Policies

Financial risk management objectives and policies

The Group's main financial liabilities comprise bank loans, debt securities issued, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has loans to related parties, trade and other receivables, cash and cash equivalents and bank deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's management oversees the management of these risks. The Risk Management and Internal Control Department advises the Group's management on financial risks and the Group's financial risk management framework. The Risk Management and Internal Control Department assists the Group's management in ensuring that the Group's financial risk-related activities are carried out in accordance with relevant policies and procedures.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk, interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and deposits.

The Group has no formal agreements for the analysis and mitigation of risks related to changes in interest rates, since management assesses the risk as low.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

The sensitivity analysis in the sections below relates to the balances as at 31 December 2025 and 2024.

The sensitivity analysis has been prepared on an assumption that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (CPI), with all other variables held constant, of the Group's (loss)/profit before income tax (through the impact on floating rate borrowings).

<i>In millions of Tenge</i>	Increase/ (decrease)	Effect on profit before tax
2025		
CPI	+1%	(20)
CPI	-1%	20
2024		
CPI	+1%	(30)
CPI	-1%	30

Assumptions of changes in basis points within the sensitivity analysis to interest rate changes are based on a currently observable market situation.

Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of foreign exchange rates changes. 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 changes in the US Dollar/Tenge exchange rates. The financial and economic activities are also exposed to the risk on transactions in foreign currencies. Such exposure arises from income in US Dollars.

The following table demonstrates the sensitivity of the Group's income before income tax to possible changes in the US Dollar exchange rate, with all other parameters held constant.

<i>In millions of Tenge</i>	Increase/ (decrease) in basis points	Effect on profit before tax
2025		
US Dollar*	+9%	(34,478)
	-9%	34,478
2024		
US Dollar*	+9%	(51,522)
	-7%	41,625

* The impact of the basis point increase on profit before tax reflects the impact of the Group and the disposal group classified as held for sale.

Credit risk

Credit risk is the risk that one party of a financial instrument will not be able to fulfil an obligation and will cause the other party to incur a financial loss. The Group is exposed to credit risk as a result of its operating activities and certain investing activities. Exposure to credit risk arises from accounts receivable, bank deposits, cash and cash equivalents, loans issued and other financial assets.

At the current level of operations, management believes that it has established appropriate credit control and industrial customer monitoring procedures to enable the Group to trade with recognized, creditworthy third parties. The Group has a credit policy in which the creditworthiness of each new customer is analyzed individually before the Group's standard payment and delivery terms and conditions are offered. The Group has a policy that provides for constant monitoring to ensure that transactions are concluded with counterparties that have an adequate credit history and do not exceed established credit limits. The Group also analyses the impact of changes in economic, political or other conditions on the ability of counterparties to fulfill contractual obligations.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

Expected credit losses

Estimating losses under IFRS 9 for all categories of financial assets requires the exercise of judgment, in particular, when determining impairment losses and assessing a significant increase in credit risk, it is necessary to estimate the amount and timing of future cash flows, and the value of collateral. These estimates depend on a number of factors, changes in which could result in different impairment allowance amounts. The Group's ECL calculations are the result of complex models involving a number of underlying assumptions regarding the selection of input variables and their interdependencies.

The assessment of whether or not there has been a significant increase in credit risk (SICR) since initial recognition is performed on both an individual and portfolio basis. The Group's risk management department periodically monitors and reviews the criteria used to determine whether a significant increase in credit risk has occurred to ensure that it is appropriate.

To measure expected credit losses, QG Group applies the following models for measuring credit risk components:

- models for measuring the probability of default (PD TTC and PD PiT);
- models for measuring the loss given default (LGD);
- models for measuring the amount of claims at default (EAD).

The models for assessing credit risk components are developed taking into account the use of forecast data on expected future economic conditions. These data include various macroeconomic indicators, such as the inflation rate, GDP dynamics, unemployment rate and other key indicators affecting economic activity. The list of macroeconomic factors is as follows:

- Unemployment rate;
- Exchange rate of the national currency Tenge (KZT) to the US Dollar (USD);
- Percentage change in the Consumer Price Index (CPI) compared to the previous quarter;
- Percentage change in the Consumer Price Index (CPI) compared to the same quarter of the previous year;
- Average price of Brent crude oil (Average of Europe Brent Spot Price FOB), expressed in US dollars per barrel;
- Index of physical volume of gross domestic product (GDP), calculated by the production method, reflecting the real growth or decline in economic activity in the country over a certain period;
- Index of physical volume of gross domestic product (GDP), calculated by the end-use method, reflecting the real growth or decline in economic activity in the country over a certain period;

For accounts receivable, a simplified approach to estimating expected credit losses (ECL) is applied, as provided by IFRS 9. This is due to the fact that the average period of accounts receivable is about 30 days, which corresponds to the short-term nature of such assets. According to IFRS 9, for short-term accounts receivable, the use of a simplified approach is permitted, which involves calculating ECL for the entire life of the asset without the need to assess a significant increase in credit risk.

Some accounts receivables may be subject to measurement not on the basis of a collective approach to calculating ECL but selected for individual assessment. The selection of debtors for individual measurement is carried out based on the criteria as follows:

- Exceeding 0.2% of equity (based on the practice of banks in the Republic of Kazakhstan);
- The amount of accounts receivable exceeds the established value;
- Debtors included in the top 1% percentile by total accounts receivable;
- Peculiarities of the payment schedule or credit behavior - debtors whose payment terms or credit behavior differ significantly from the standard;
- Debtors selected based on the professional assessment of specialists (expert opinion).

For accounts receivable, the ECL measurement of which is carried out on an individual approach, the same criteria are applied that are used to classify the impairment stages of other financial instruments.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

In certain cases, the Group may also conclude that a financial asset is in default if internal or external information indicates that it is unlikely that the Group will collect all outstanding contractual payments, excluding any credit enhancements retained by the Group. A financial asset is written off if there is no reasonable expectation of future contractual cash flows.

For purposes of measuring PD, the Group defines default as a situation when the exposure meets one or more of the following criteria:

- significant financial difficulty of the issuer or borrower;
- the borrower is more than 90 days past due on its contractual payments;
- international rating agencies have classified the borrower in the default rating class;
- it is becoming likely that the borrower will enter bankruptcy or other financial reorganization.

In some cases, it is not possible to identify a single isolated event; a financial asset may be credit-impaired due to the cumulative effect of several events.

For disclosure purposes, the Group has aligned its definition of default with the definition of impaired assets. This definition of default applies to all types of the Group's financial assets.

The maximum credit risk for financial assets measured at amortised cost is limited to the carrying amount, as disclosed in Notes 9, 11 and 13.

Bank deposits and cash and cash equivalents

The Group places deposits in Kazakhstani banks. The Group's management periodically reviews the credit ratings of these banks to eliminate extraordinary credit risks. The credit risk of bank deposits and cash and cash equivalents is limited because contractual partners are banks with investment grade credit ratings. For this reason, the impact of impairment is immaterial.

The following table provides an analysis of the credit quality of cash and cash equivalents and bank deposits as of 31 December 2025 and 31 December 2024, using credit ratings from Standard & Poor's, Fitch Ratings, Moody's and Thomas Murray.

<i>In millions of Tenge</i>	Location		2025		2024	2025	2024
Citibank N.A. London	U.K.	Standard & Poor's	BBB+/ stable	Moody's	Aa3/ stable	158,189	272,418
Bereke Bank JSC	Kazakhstan	Fitch Ratings	B+/stable	Fitch Ratings	BBB-/stable	80,446	80,822
Halyk Bank of Kazakhstan JSC	Kazakhstan	Standard & Poor's	BBB-/ stable	Standard & Poor's	BBB-/ stable	62,531	77,712
ForteBank JSC	Kazakhstan	Fitch Ratings	BB/ stable	Fitch Ratings	BB/ stable	83,643	24,903
Alatau City Bank JSC	Kazakhstan	Moody's	Ba3/ Positive	Moody's	Ba3/ Positive	51,834	51,276
Eurasian Bank	Kazakhstan	Moody's	Ba2/negative	Moody's	Ba2/ stable	30,191	55
Altyn Bank JSC	Kazakhstan	Moody's	Baa3/ stable	Moody's	Baa3/ stable	30,080	9,506
Bank CenterCredit JSC	Kazakhstan	Standard & Poor's	BB/ Positive	Standard & Poor's	BB/ stable	15,367	14,544
Bank Freedom Finance JSC	Kazakhstan	Standard & Poor's	B+/Positive	Standard & Poor's	B+/stable	3,204	7,929
Societe Generale Private Banking	The Netherlands	Standard & Poor's	A/ stable	Standard & Poor's	A/ stable	2,391	2,436
Kazpost JSC	Kazakhstan	–	–	–	–	56	58,285
VTB Bank Kazakhstan	Kazakhstan	Standard & Poor's	Рейтинг отозван	Standard & Poor's	Рейтинг отозван	15	10
Citibank Kazakhstan JSC	Kazakhstan	Moody's	Aa3/ stable	Moody's	Aa3/ stable	15	6
Bank of China	China	Standard & Poor's	A+/ stable	Standard & Poor's	A+/ stable	11	11
Raiffeisen Bank	Russia	–	–	–	–	2	4
Central Depository of Securities JSC	Kazakhstan	Thomas Murray	A+/ stable/A	Thomas Murray	A+/ stable/A	1	1
SB Bank of China	Kazakhstan	Fitch Ratings	BBB+/ stable	Fitch Ratings	BBB+/ stable	1	1
EBRD	Kazakhstan	Standard & Poor's	BBB-/negative	Standard & Poor's	BBB-/negative	-	5
						517,977	599,924

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

Trade and other receivables

The following is information about the credit risk of the Group's trade and other receivables using the simplified method based on the provision matrix:

In millions of Tenge	Total	Not due	Overdue				
			<30 days	30-60 days	60-90 days	90-120 days	>120 days
31 December 2025							
ECL rate	3.62%	0.52%	1.03%	1.71%	1.65%	10.46%	44.85%
Total expected carrying amount at default	264,268	199,107	21,795	12,825	7,266	7,209	16,066
ECL	(9,556)	(1,032)	(225)	(219)	(120)	(754)	(7,206)
Net carrying amount	254,712	198,075	21,570	12,606	7,146	6,455	8,860
31 December 2024							
ECL rate	3.32%	0.24%	1.59%	0.84%	0.71%	18.05%	64.43%
Total expected carrying amount at default	245,265	196,558	20,659	8,310	6,915	2,246	10,577
ECL	(8,133)	(466)	(329)	(70)	(49)	(405)	(6,814)
Net carrying amount	237,132	196,092	20,330	8,240	6,866	1,841	3,763

The Group is exposed to concentrations of credit risk. Concentrations of credit risk mainly relate to key customers, in particular international ones. Approximately 44% of the Group's revenue from contracts with customers in 2025 and 25% of the Group's trade receivables and other accounts as at 31 December 2025 are attributable to PetroChina International Co. Ltd (2024: 53% of the Group's revenue from contracts with customers and 31% of the Group's trade receivables and other accounts).

Loans issued and other financial assets

In respect of credit risk arising on the Group's other financial assets, which includes other financial assets, loans to a related party and obligations under financial guarantee agreements, the Group's exposure to credit risk arises as a result of default by a counterparty. In relation to loans issued, the Group reduces credit risk by requiring the provision of loan collateral in the form of collateral over the borrowers' assets.

Credit risk (continued)

The following table provides an analysis of the credit quality of significant financial assets as of 31 December 2025 and 31 December 2024 using Fitch Ratings agency's credit ratings.

In millions of Tenge	Location	2025		2024		Stage 1 (12-month ECL)	
		Fitch Ratings	BBB/ stable	Fitch Ratings	BBB/ stable	2025	2024
Eurobonds of the Ministry of Finance of the Republic of Kazakhstan	Kazakhstan	Fitch Ratings	BBB/ stable	Fitch Ratings	BBB/ stable	4,890	5,075
Finance lease receivables	Kazakhstan	-	-	-	-	2,983	3,128
Loan issued to Beineu-Bozoi-Shymkent 2	Kazakhstan	-	-	-	-	2,049	-
Samruk-Kazyna JSC	Kazakhstan	Fitch Ratings	BBB/ stable	Fitch Ratings	BBB/ stable	-	60,095
						9,922	68,298
Less: allowance for expected credit losses						-	-
						9,922	68,298

The Group regularly tests and validates its models and inputs to the models to reduce the differences between the estimated expected credit losses and actual losses on issued loans and guarantees. The Group did not recognise an allowance for expected credit losses on financial assets due to its immateriality due to the positive credit rating of counterparties and the absence of creditworthiness factors.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

Liquidity risk

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

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

The table below shows the distribution of liabilities as at the reporting date by contractual terms remaining to maturity. The amounts disclosed in the maturity table represent the contractual undiscounted cash flows, including the total commitments for borrowings received and financial guarantees. These undiscounted cash flows differ from the amount included in the consolidated statement of financial position because the amount recorded in the consolidated statement of financial position is calculated on a discounted cash flow basis. In cases where the amount payable is not fixed, the amount in the table is determined based on the conditions existing at the reporting date. Foreign exchange payments are translated using the spot exchange rate at the end of the reporting period.

<i>In millions of Tenge</i>	On demand	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years	Total
As at 31 December 2025						
Debt securities issued	-	16,682	39,784	575,476	148,784	780,726
Bank loans*	-	2,117	25,920	144,176	108,872	281,085
Trade and other payables*	21,012	232,663	16,481	-	-	270,156
Lease liabilities	-	1,000	32,218	2	6	33,226
Put option liability	40,510	-	-	-	-	40,510
Other financial liabilities	370	838	2,017	1,333	42	4,600
	61,892	253,300	116,420	720,987	257,704	1,410,303

* Bank loans and trade and other payables as at 31 December 2025 represent balances due from the Group and the disposal group classified as held for sale.

<i>In millions of Tenge</i>	On demand	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years	Total
As at 31 December 2024						
Debt securities issued	-	14,490	28,854	517,640	104,165	665,149
Bank loans*	218	4,492	13,132	132,709	56,745	207,296
Trade and other payables	11,745	513,092	4,823	-	-	529,660
Lease liabilities	-	1,000	32,343	33,213	-	66,556
Put option liability	40,510	-	-	-	-	40,510
Other financial liabilities	-	1,811	37	911	3,385	6,144
	52,473	534,885	79,189	684,473	164,295	1,515,315

* Bank loans and trade and other payables as at 31 December 2024 represent balances due from the Group and the disposal group classified as held for sale.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders value. The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. There were no changes in the Group's approach to capital management as compared to 2024.

The capital structure of the Group consists of debt, which includes debt securities issued and bank loans disclosed in Notes 15 and 16 and equity, comprising share capital, additional paid-in capital and retained earnings as disclosed in Note 14.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

The Group's management reviews its capital structure at each reporting date. As part of this review, management considers the cost of capital and the risks associated with each class of capital.

The Group has a target debt-to-equity ratio of no more than 1.5. During 2025 and 2024, the Group complied with all external and internal capital requirements, including covenants related to loans and borrowings.

The debt to equity ratio at the end of the year is presented as follows:

<i>In millions of Tenge</i>	2025	2024
Debt securities issued	583,799	508,699
Bank loans	9,789	17,612
Finance lease liabilities	29,628	54,985
Total liabilities	623,216	581,296
Equity	3,311,329	2,829,912
Debt ratio	0.19	0.21

Fair value vs carrying amount

The carrying amount of the Group's financial instruments as of 31 December 2025 and 2024 is a reasonable approximation of their fair value, except for the financial instruments disclosed below:

<i>In millions of Tenge</i>	31 December 2025				
	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in active markets (Level 1)	Essential observed input data (Level 2)	Essential unobservable input data (Level 3)
Financial liabilities					
Debt securities issued	(583,799)	(567,694)	(359,676)	(208,018)	-
Bank loans*	(206,048)	(205,479)	-	(205,479)	-

* Bank loans as of 31 December 2025 reflect bank loans of the Group and the disposal group classified as held for sale.

<i>In millions of Tenge</i>	31 December 2024				
	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in active markets (Level 1)	Essential observed input data (Level 2)	Essential unobservable input data (Level 3)
Financial liabilities					
Debt securities issued	(508,700)	(507,370)	(374,198)	(133,172)	-
Bank loans*	(154,820)	(153,617)	-	(153,617)	-

* Bank loans as of 31 December 2024 reflect bank loans of the Group and the disposal group classified as held for sale.

Fair value of quoted bonds is based on price quotations at the reporting date.

The put option liability is classified as a derivative financial instrument and measured at fair value through profit or loss. Fair value is determined using the Black-Scholes model and is classified within Level 3 of the fair value hierarchy due to the use of unobservable inputs. As of December 31, 2025, the fair value of the put option liability approximates its carrying amount.

The fair values of long-term loans are determined by the DCF method using rates currently available for debt with similar terms, credit risk and remaining maturities.

There were no transfers between levels 1, 2 and 3 during 2025 and 2024.

32 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

Estimates and assumptions

The Group's management has determined that the fair value of cash and bank deposits, trade receivables, trade and other payables, short-term borrowings received, and all other financial instruments approximates their carrying amount, primarily due to the short maturities of these instruments.

Changes in liabilities arising from financing activities

<i>In millions of Tenge</i>	1 January 2025	Proceeds	Repay-ments	Repay-ment of interest	Foreign exchange gains or losses	Interest accrual	Interest capitali-zation	Other non-cash transac-tions	Changes in liabilities of disposal groups	31 December 2025
Financial liabilities										
Bank loans	17,612	65,885	(7,796)	(11,069)	(8,001)	12,312	-	(103)	(59,051)	9,789
Debt securities issued	508,699	101,677	(9,950)	(34,862)	(14,020)	20,520	22,527	(10,792)	-	583,799
Lease liabilities	54,985	-	(25,358)	(7,988)	-	7,989	-	-	-	29,628
Total liabilities arising from financing activities	581,296	167,562	(43,104)	(53,919)	(22,021)	40,821	22,527	(10,895)	(59,051)	623,216

<i>In millions of Tenge</i>	1 January 2024	Proceeds	Repay-ments	Repay-ment of interest	Foreign exchange gains or losses	Interest accrual	Interest capitali-zation	Other non-cash transac-tions	Changes in liabilities of disposal groups	31 December 2025
Financial liabilities										
Bank loans	47,913	116,472	(30,058)	(8,286)	12,116	8,149	1,150	(4,605)	(125,239)	17,612
Borrowings received	7,968	-	(8,222)	-	(179)	-	-	433	-	-
Debt securities issued	329,234	142,622	-	(14,741)	50,155	15,244	-	(13,815)	-	508,699
Lease liabilities	76,687	-	(21,704)	(11,775)	-	11,777	-	-	-	54,985
Total liabilities arising from financing activities	461,802	259,094	(59,984)	(34,802)	62,092	35,170	1,150	(17,987)	(125,239)	581,296

Changes in liabilities of disposal groups primarily represent proceeds from bank loans in the amount of Tenge 65,885 million (2024: Tenge 116,472 million), which are reflected in the "Additions" column. These amounts are adjusted in the "Changes in liabilities of disposal groups" column, as the corresponding liabilities at the beginning and end of the reporting period are classified within liabilities associated with assets held for sale in the statement of financial position.

The "Other Non-Cash Transactions" column primarily represents the recognition and amortization of discounts and expenses related to borrowings. The Group classifies interest paid as cash flows from operating activities.

33 Segment Reporting

The Group determines its operating segments based on the nature of their operations. The performance of the operating segments is assessed by management on a regular basis. The functions of a chief operating decision maker are performed by the Group's Management Board.

The following reportable segments within the Group were determined:

- Gas trading – sales of gas within the Republic of Kazakhstan and abroad;
- Transportation and storage of gas – transportation of gas and storage of purchased gas in underground gas storages.

The remaining operating segments (exploration and production of gas and rendering transportation services) have been aggregated and presented as other operating segment due to their insignificance.

Eliminations represent the exclusion of intra-group turnovers. Segment performance is evaluated based on both revenues and net profit, which are measured on the same basis as in the consolidated financial statements. Inter-segment transactions were made on terms agreed to between the segments 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.

33 Segment Reporting (Continued)

The following table represents information about revenues and net profit, assets and liabilities of operating segments of the Group for 2025:

<i>In millions of Tenge</i>	Gas trading	Transportation and storage of gas	Other segments	Elimination	Total
Revenue from external customers	1,228,457	118,369	2,988	–	1,349,814
Revenue from other segments	28,532	155,583	38,381	(222,496)	–
Total revenue	1,256,989	273,952	41,369	(222,496)	1,349,814
Cost of sales to external customers	(1,215,584)	(140,072)	(36,340)	–	(1,391,996)
Cost of sales to other segments	(175,155)	(38,913)	(754)	214,822	–
Total cost of sales	(1,390,739)	(178,985)	(37,094)	214,822	(1,391,996)
Gross loss	(133,750)	94,967	4,275	(7,674)	(42,182)
Interest income calculated using the effective interest rate method	77,984	9,093	2,726	(8,322)	81,481
Finance income	1,643	1,291	–	(2,934)	–
Finance costs	(19,613)	(27,559)	(382)	7,433	(40,121)
Depreciation and amortisation	(11,476)	(40,286)	(6,809)	(4,706)	(63,277)
Impairment of fixed assets	(6,397)	(130)	–	–	(6,527)
Dividends	341,726	–	439	(342,165)	–
Share of profit of joint ventures	–	306,990	673	–	307,663
Income tax expenses	9,364	(13,070)	(2,055)	(799)	(6,560)
Net profit for the year from continuing operations	266,862	356,287	4,685	(362,067)	265,767
Other segment information					
Investments in joint ventures	–	1,036,046	11,391	–	1,047,437
Capital expenditures	16,825	228,739	19,107	(8,178)	256,493
Allowance for expected credit losses	(8,833)	(1,124)	(173)	572	(9,558)
Allowances for obsolete inventories and advances paid	(193)	(1,965)	(275)	–	(2,433)
Assets of the segment	2,584,390	2,683,699	115,517	(1,041,618)	4,341,988
Assets of disposal groups classified as held for sale	704	–	323,736	(103)	324,337
Total assets of the segment	2,585,094	2,683,699	439,253	(1,041,721)	4,666,325
Liabilities of the segment	686,922	522,165	18,172	(104,496)	1,122,763
Liabilities of disposal groups classified as held for sale	–	–	251,164	(18,931)	232,233
Total liabilities of the segment	686,922	522,165	269,336	(123,427)	1,354,996

33 Segment Reporting (Continued)

The following represents information about revenue and net profit, as well as assets and liabilities of operating segments of the Group for 2024:

<i>In millions of Tenge</i>	Gas trading	Transportation and storage of gas	Other segments	Elimination	Total
Revenue from external customers	1,158,909	97,446	3,045	-	1,259,400
Revenue from other segments	13,316	165,306	32,936	(211,558)	-
Total revenue	1,172,225	262,752	35,981	(211,558)	1,259,400
Cost of sales to external customers	(1,117,998)	(140,466)	(31,194)	-	(1,289,658)
Cost of sales to other segments	(177,917)	(26,842)	(778)	205,537	-
Total cost of sales	(1,295,915)	(167,308)	(31,972)	205,537	(1,289,658)
Gross loss	(123,690)	95,444	4,009	(6,021)	(30,258)
Interest income calculated using the effective interest rate method	47,851	2,580	3,915	(11,250)	43,096
Finance income	1,472	1,294	6	(2,765)	7
Finance costs	(19,128)	(28,313)	(204)	7,016	(40,629)
Depreciation and amortisation	(11,332)	(35,990)	(5,161)	-	(52,483)
Impairment of fixed assets	-	(2,998)	-	-	(2,998)
Dividends	561,093	-	373	(561,466)	-
Share of profit of joint ventures	-	370,705	439	-	371,144
Income tax expenses	10,098	(12,069)	(1,419)	421	(2,969)
Net profit for the year from continuing operations	444,409	414,924	662	(560,529)	299,466
Other segment information					
Investments in joint ventures	-	1,069,829	1,469	-	1,071,298
Capital expenditures	24,117	205,149	5,129	(7,703)	226,692
Allowance for expected credit losses	(7,747)	(280)	(113)	8	(8,132)
Allowances for obsolete inventories and advances paid	(216)	(2,095)	(275)	-	(2,586)
Assets of the segment	2,399,928	2,570,620	107,958	(995,016)	4,083,490
Assets of disposal groups classified as held for sale	729	-	239,240	(104)	239,865
Total assets of the segment	2,400,657	2,570,620	347,198	(995,120)	4,323,355
Liabilities of the segment	977,112	444,322	16,592	(117,300)	1,320,726
Liabilities of disposal groups classified as held for sale	-	-	174,908	(2,191)	172,717
Total liabilities of the segment	977,112	444,322	191,500	(119,491)	1,493,443

As of December 31, 2025 and 2024, all of the Group's fixed assets are located in the Republic of Kazakhstan.

In 2025, the Group received 44% of its revenue from the sale of gas to PetroChina Group in the amount of Tenge 600,436 million (in 2024: 53%, in the amount of Tenge 663,748 million). This revenue is included in the revenue of the Gas Trading segment.

34 Events after the Reporting Period

On 13 January 2026, the Group provided the 2nd tranche in the amount of US Dollars 50 million (equivalent to Tenge 25,277 million) under the loan agreement with BBS 2 to finance the second line of the Beineu-Bozoy-Shymkent gas pipeline (BBS Line 2) project.