

Nostrum Oil & Gas PLC

Interim condensed consolidated financial statements

For the three months ended 31 March 2025

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Consolidated statement of financial position

<i>In thousands of US Dollars</i>	Notes	31 March 2025 (unaudited)	31 December 2024 (audited)
Assets			
Non-current assets			
Property, plant and equipment	4	368,527	372,883
Advances and other non-current assets	5	4,565	4,388
Restricted cash	9	26,159	25,924
		399,251	403,195
Current assets			
Inventories	6	31,940	30,637
Other current assets	7	9,416	9,515
Income tax prepayment	22	3,690	3,028
Trade receivables	8	15,991	9,204
Cash and cash equivalents	9	148,554	150,419
		209,591	202,803
TOTAL ASSETS		608,842	605,998
Equity and liabilities			
Share capital and reserves	10		
Share capital		2,152	2,152
Treasury capital		(166)	(166)
Share premium		792,744	792,744
Retained deficit and reserves		(913,632)	(887,266)
Attributable to owners of Nostrum Oil & Gas PLC		(118,902)	(92,536)
Non-controlling interest		(10)	55
		(118,912)	(92,481)
Non-current liabilities			
Notes payable and accumulated interest	12	587,169	571,194
<i>Principal</i>		688,061	688,061
<i>Arrangement fees and fair value adjustments</i>		(100,893)	(116,867)
Abandonment and site restoration provision		28,531	27,344
Amounts due to Government of Kazakhstan		3,094	3,200
Deferred tax liability	22	62,603	69,064
		681,397	670,802
Current liabilities			
Notes payable and accumulated interest	12	18,634	177
Trade payables	13	8,865	8,238
Advances received		729	1,569
Current tax payable		43	49
Current portion of amounts due to Government of Kazakhstan		1,031	1,031
Other current liabilities	14	17,055	16,613
		46,357	27,677
TOTAL EQUITY AND LIABILITIES		608,842	605,998

The interim condensed consolidated financial statements of Nostrum Oil & Gas PLC, registered number 8717287, were authorised for issue by the Board of Directors on 19 May 2025.

Signed on behalf of the Board:

Arfan Khan

Chief Executive Officer

19 May 2025

The accounting policies and explanatory notes on pages 7 through 14 are an integral part of these interim condensed consolidated financial statements.

Consolidated statement of comprehensive income

In thousands of US Dollars	Notes	For the three months ended 31 March	
		2025 (unaudited)	2024 (unaudited)
Revenue			
Revenue from export sales		15,659	26,014
Revenue from domestic sales and tolling fees		14,352	5,821
	15	30,011	31,835
Cost of sales	16	(19,239)	(17,015)
Gross profit		10,772	14,820
General and administrative expenses	17	(3,580)	(3,576)
Selling and transportation expenses	18	(2,358)	(3,304)
Taxes other than income tax	19	(2,279)	(3,707)
Finance costs	20	(34,121)	(28,479)
Foreign exchange gain / (loss), net		161	(864)
Interest income		973	1,808
Other income		1,437	395
Other expenses	21	(2,411)	(1,775)
Loss before income tax		(31,406)	(24,682)
Current income tax expense		(1,536)	(3,189)
Deferred income tax benefit / (expense)		6,461	(42)
Income tax benefit / (expense)	22	4,925	(3,231)
Loss for the period		(26,481)	(27,913)
Currency translation difference		50	5
Other comprehensive income for the period		50	5
Total comprehensive loss for the period		(26,431)	(27,908)
Loss for the year attributable to non-controlling interests		(65)	(3)
Loss for the period attributable to the shareholders		(26,416)	(27,910)
Basic loss per share (in US dollars)	11	(0.16)	(0.16)
Diluted loss per share (in US dollars)	11	(0.14)	(0.15)

All items in the above statement are derived from continuing operations.

Consolidated statement of cash flows

In thousands of US Dollars	Notes	For the three months ended 31 March	
		2025	2024
Cash flow from operating activities:			
Loss before income tax		(31,406)	(24,682)
<i>Adjustments for:</i>			
Depreciation, depletion and amortisation	16, 17	8,325	6,445
Finance costs	20	34,121	28,479
Interest income		(973)	(1,808)
Foreign exchange loss on investing and financing activities		114	(45)
Loss on disposal of property, plant and equipment		12	–
Operating profit before working capital changes		10,193	8,389
<i>Changes in working capital:</i>			
Change in inventories		(1,786)	(459)
Change in trade receivables		(6,787)	(3,326)
Change in prepayments and other current assets		577	(2,096)
Change in trade payables		677	2,107
Change in advances received		(840)	19
Change in due to Government of Kazakhstan		(257)	(258)
Change in other current liabilities		442	2,148
Cash from operations		2,219	6,524
Income tax paid		(2,191)	(4,370)
Net cash used in operating activities		28	2,154
Cash flow from investing activities:			
Interest received		495	568
Purchase of property, plant and equipment		(2,013)	(5,442)
Expenditures on exploration and evaluation assets		–	(1,430)
Transfer to restricted cash		(238)	–
Net cash used in investing activities		(1,756)	(6,304)
Cash flow from financing activities:			
Other finance costs		(60)	–
Net cash used in financing activities		(60)	–
Effects of exchange rate changes on cash		(77)	9
Net decrease in cash and cash equivalents		(1,865)	(4,141)
Cash and cash equivalents at the beginning of the period	9	150,419	161,711
Cash and cash equivalents at the end of the period	9	148,554	157,570

The accounting policies and explanatory notes on pages 7 through 14 are an integral part of these interim condensed consolidated financial statements.

Consolidated statement of changes in equity

In thousands of US Dollars	Notes	Attributable to owners of Nostrum Oil & Gas PLC						Non-controlling interest	Total
		Share capital	Treasury capital	Deferred shares	Share premium	Other reserves (Note 12)	Retained deficit		
As at 1 January 2024 (audited)		2,152	(166)	18,551	792,744	262,123	(1,141,579)	502	(65,673)
Loss for the period		–	–	–	–	–	(27,910)	(3)	(27,913)
Other comprehensive income		–	–	–	–	5	–	–	5
Total comprehensive income for the period		–	–	–	–	5	(27,910)	(3)	(27,908)
As at 31 March 2024 (unaudited)		2,152	(166)	18,551	792,744	262,128	(1,169,489)	499	(93,581)
Income / (loss) for the period		–	–	–	–	–	1,780	(444)	1,336
Other comprehensive loss		–	–	–	–	(236)	–	–	(236)
Total comprehensive income for the period		–	–	–	–	(236)	1,780	(444)	1,100
Redemption of deferred shares	10	–	–	(18,551)	–	18,551	–	–	–
As at 31 December 2024 (audited)		2,152	(166)	–	792,744	280,443	(1,167,709)	55	(92,481)
Loss for the period		–	–	–	–	–	(26,416)	(65)	(26,481)
Other comprehensive income		–	–	–	–	50	–	–	50
Total comprehensive loss for the period		–	–	–	–	50	(26,416)	(65)	(26,431)
As at 31 March 2025 (unaudited)		2,152	(166)	–	792,744	280,493	(1,194,125)	(10)	(118,912)

The accounting policies and explanatory notes on pages 7 through 14 are an integral part of these interim condensed consolidated financial statements.

Notes to the interim condensed financial statements

1. General

Overview

Nostrum Oil & Gas PLC (“the Company” or “the Parent”) is a public limited company incorporated on 3 October 2013 under the Companies Act 2006 and registered in England and Wales with registered number 8717287. The registered address of Nostrum Oil & Gas PLC is: 20 Eastbourne Terrace, London, W2 6LG, UK.

These interim condensed consolidated financial statements include the financial position and the results of the operations of Nostrum Oil & Gas PLC and its following subsidiaries:

Company	Registered office	Form of capital	Ownership, %
Nostrum Associated Investments LLP	43B Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	100
Nostrum Oil & Gas Coöperatief U.A.	Anna van Buerenplein 41 A, Unit 4.27, 2595DA The Hague, The Netherlands	Members' interests	100
Nostrum Oil & Gas B.V.	Anna van Buerenplein 41 A, Unit 4.27, 2595DA The Hague, The Netherlands	Ordinary shares	100
Nostrum Oil & Gas Finance B.V.	Anna van Buerenplein 41 A, Unit 4.27, 2595DA The Hague, The Netherlands	Ordinary shares	100
Nostrum Oil & Gas Holding Ltd.	20 Eastbourne Terrace, London, W2 6LA, United Kingdom	Ordinary shares	100
Nostrum Services Central Asia LLP	Aksai 3a, 75/38, 050031 Almaty, Republic of Kazakhstan	Participatory interests	100
Nostrum Services N.V.	Chaussee de Wavre 20, 1360 Perwez, Belgium	Ordinary shares	100
Positiv Invest LLP	Dostyk 310/15, Almaty, Republic of Kazakhstan	Participatory interests	80
Zhaikmunai LLP	43/1 Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	100

Nostrum Oil & Gas PLC and its subsidiaries are hereinafter referred to as “the Group”. The Group’s operations comprise of a single operating segment including all Group’s assets related to its Chinarevskoye field, including surface facilities, and Stepnoy Leopard Fields, primarily conducted through its oil and gas producing entity Zhaikmunai LLP located in Kazakhstan.

Zhaikmunai LLP carries out its activities in accordance with the Contract for Additional Exploration, Production and Production-Sharing of Crude Hydrocarbons in the Chinarevskoye oil and gas condensate field (the

“Contract”) dated 31 October 1997 between the State Committee of Investments of the Republic of Kazakhstan and Zhaikmunai LLP in accordance with the license MG No. 253D for the exploration and production of hydrocarbons in Chinarevskoye oil and gas condensate field.

The term of the Chinarevskoye subsoil use rights included a 5-year exploration period followed by a 25-year production period with the Contract being valid until the end of 2031.

Positiv Invest LLP holds the rights to the Stepnoy Leopard Fields located in the West Kazakhstan region. The Stepnoy Leopard Fields are in proximity to Nostrum’s existing gas treatment facilities and have a subsurface contract valid until December 2044.

On August 20, 2024, Nostrum Oil & Gas Coöperatief U.A. transferred its 80% participating interest in Positiv Invest LLP and its 100% participating interest in Zhaikmunai LLP to Nostrum Oil & Gas Finance B.V. This reorganisation consolidates ownership of the Group’s primary assets, including the Chinarevskoye field operated by Zhaikmunai LLP and the Stepnoy Leopard Fields managed by Positiv Invest LLP, under a single entity, enhancing operational alignment and strategic focus.

As at 31 March 2025 the Group employed 609 employees (31 December 2024: 605).

Royalty payments

Zhaikmunai LLP is required to make monthly royalty payments throughout the entire production period, at the rates specified in the Contract.

Royalty rates depend on hydrocarbons recovery levels and the phase of production and can vary from 3% to 7% of produced crude oil and from 4% to 9% of produced natural gas. Royalty is accounted on a gross basis.

Government “profit share”

Zhaikmunai LLP makes payments to the Government of its “profit share” as determined in the Contract. The “profit share” depends on hydrocarbon production levels and varies from 10% to 40% of production after deducting royalties and reimbursable expenditures. Reimbursable expenditures include operating expenses, costs of additional exploration and development costs. Government “profit share” is expensed as incurred and paid in cash. Government profit share is accounted on a gross basis.

2. Basis of preparation and consolidation

Basis of preparation

These interim condensed consolidated financial statements for the three months ended 31 March 2025 have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting as adopted in the UK. These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024 prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with the UK adopted International Accounting Standards.

The interim condensed consolidated financial information for three months ended 31 March 2025 and 2024 is presented in US dollars and all values are rounded to the nearest thousand, except when otherwise indicated. The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires from management to exercise its judgment in the process of applying the Group’s

accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3. The Group recognises that there may be potential financial implications in the future from changes in legislation and regulation implemented to address climate change risk. Over time these changes may have an impact across a number of areas of accounting including asset impairment, increased costs, provisions, onerous contracts and contingent liabilities. However, as at the reporting date, the Group believes there is no material impact on the balance sheet carrying values of assets or liabilities. This is not considered a significant estimate.

Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

Notes to the interim condensed consolidated financial statements (continued)

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights.
- The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Going concern

The Group monitors on an ongoing basis its liquidity position, near-term forecasts, and key financial ratios to ensure that sufficient funds are available to meet its commitments as they arise and liabilities as they fall due. The Group reforecasts its rolling 3-year cashflows on a quarterly basis and stress tests its future liquidity position for changes in product prices, production volumes, costs and other significant events.

The Directors are focused on a range of potential opportunities and actions aimed at improving the liquidity outlook in the near-term and creating value from long-term growth catalysts. These actions include, amongst other things, the ongoing base case scenario efforts to further optimize capital expenditures, operating costs and general and administration cost, improving netbacks realized from product sales, and increasing utilisation of the Group's processing infrastructure.

The Directors' going concern assessment is supported by the future cash flow forecasts for the going concern period to 31 May 2026. The Group had unrestricted cash balances of US\$148.6 million as at 31 March 2025, (including liquid current investments of US\$82 million), and US\$17.0 million in the DSRA. The base case going concern assessment reflects production forecasts consistent with the Board approved plans and assumes a flat Brent oil price of US\$70/bbl. Under the base case going concern assessment for the period to 31 May 2026, the Group forecasts to have a closing cash balance of approximately US\$110 million, including over US\$17.9 million in the DSRA.

The base case scenario assumes commencement of the capital expenditures required for development of the Stepnoy Leopard fields. The base case scenario has also been tested for sensitivity against the key assumptions over the period of assessment, including US\$10/boe reduction in Brent prices, 10% reduction in forecast production and third-party processing volumes, 10% increase in operating and G&A costs, addition of contingent capital expenditures and possible fines and penalties in the event of any non-compliance issues. As a result of such sensitivity analysis, the Directors concluded that the Group would be financially capable of withstanding downside volatility of these key assumptions individually or in aggregate.

After careful consideration, the Directors have a reasonable expectation that the Group and the Company have sufficient financial resources to continue in operation for the going concern period to 31 May 2026.

Notwithstanding that the going concern period has been defined as the period to 31 May 2026, the Directors have also considered events and conditions beyond the going concern period of assessment which may cast doubt on the Group's ability to continue as a going concern. The Directors draw attention to the Viability Statement on pages 43-44 of the 2024 Annual Report which highlights the potential necessity in the future for a partial or full restructuring of the Group's SSNs and SUNs (together "the Notes").

In forming an assessment of the Group's ability to continue as a going concern post 31 May 2026, the Board has considered the fact that the Notes are due to mature on 30 June 2026 and has made a material assumption about the Group's ability to successfully restructure the Notes.

As at the date of publication of these consolidated financial statements, although the Directors believe, to the best of their knowledge, that the Notes could be successfully restructured, the ability to restructure and the precise timing and terms of such restructuring of the Notes represent a material uncertainty about the Company's ability to continue as a going concern and to realise its assets and discharge its liabilities in the normal course of business beyond the assessment period ending 31 May 2026.

In accordance with provision 30 of the UK Corporate Governance Code 2018, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements. If the Group is unable to successfully restructure or extend the maturity of the Notes and continue to realise assets and discharge liabilities in the normal course of business, it would be necessary to adjust the amounts in the statement of financial position in the future to reflect these circumstances, which may materially change the measurement and classification of certain figures contained in these consolidated financial statements.

3. Changes in accounting policies and disclosures

Change in depreciation method

In accordance with IAS 16 Property, plant and equipment par. 61, the depreciation method should be reviewed at least annually and, if the pattern of consumption of benefits has changed, the depreciation method should be changed prospectively as a change in estimate under IAS 8.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2025, but do not have an impact on the interim condensed consolidated financial statements of the Group.

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Group's financial statements.

Notes to the interim condensed consolidated financial statements (continued)

4. Property, plant and equipment

During the three months ended 31 March 2025 the Group had additions of property, plant and equipment of US\$ 3,684 thousand (three months ended 31 March 2024: US\$ 8,407 thousand). These additions are mostly associated with commencement of well drilling as well as capital repairs of equipment and capitalised interest of US\$ 843 thousand (three months ended 31 March 2024: US\$ 551 thousand). See Note 26 for capital commitments.

5. Advances for non-current assets

As at 31 March 2025 and 31 December 2024 advances for non-current assets comprised the following:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Advances for construction materials	2,898	2,991
VAT receivable	1,160	1,115
Advances for construction services	352	193
Advances for other non-current assets	155	89
	4,565	4,388

6. Inventories

As at 31 March 2025 and 31 December 2024 inventories comprised the following:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Spare parts and other inventories	29,083	28,182
Crude oil	1,389	960
Gas condensate	1,108	1,381
LPG	185	86
Dry gas	87	16
Sulphur	88	12
	31,940	30,637

As at 31 March 2025 and 31 December 2024 inventories are carried at cost.

7. Prepayments and other current assets

As at 31 March 2025 and 31 December 2024 prepayments and other current assets comprised the following:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
VAT receivable	7,728	5,680
Advances paid	1,745	2,131
Other taxes receivable	1,301	974
Interest receivable	478	350
Other	700	380
	11,952	9,515

Advances paid consist primarily of prepayments made to service providers. As at 31 March 2025 the impaired VAT receivable amounted to US\$576 thousand (31 December 2024: US\$555 thousand and US\$169 thousand, respectively).

There were no other movements in the provision for impairment of advances paid during the three months ended 31 March 2025 and 2024.

Interest receivable represents the accrued interest income on the money market funds placed (see notes 10 for more details).

8. Trade receivables

As at 31 March 2025 and 31 December 2024 trade receivables were not interest-bearing and were mainly denominated in US dollars and Tenge. Their collection period ranges between 30 and 120 days.

As at 31 March 2025 and 31 December 2024 there were past due but not impaired trade receivables. Based on the assessments made, the Group concluded that no provision for expected credit losses should be recognised as at 31 March 2025 and 31 December 2024.

9. Cash and cash equivalents

As at 31 March 2025 and 31 December 2024 cash and cash equivalents comprised the following:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Investments in Money Market Funds in US Dollars	136,000	82,000
Current accounts in US Dollars	12,088	67,006
Current accounts in Tenge	370	1,215
Current accounts in Euro	34	125
Current accounts in other currencies	57	66
Petty cash	5	7
	148,554	150,419

Money Market Funds include investments in money market funds of JPMorgan Asset Management (Europe) S.à r.l., BlackRock Investment Management (UK) Limited, Goldman Sachs Funds, Plc and Morgan Stanley Investment Management, Inc. These investments in securities are classified as current investments since they are readily convertible into cash, have credit ratings of AAA and above, and their fair values are subject to minimal fluctuations.

In addition to the cash and cash equivalents in the table above, the Group has restricted cash accounts as liquidation fund deposits of US\$9,117 thousand with Halyk bank and US\$19 thousand with Jusan bank (31 December 2024: US\$ 9,114 thousand with Halyk bank and US\$17 thousand with Jusan bank), which are kept as required by the subsoil use rights for abandonment and site restoration liabilities of the Group. Also, restricted cash accounts include a debt service retention account (DSRA) funded to meet the forthcoming two interest instalments on SUNs and SSNs. As at 31 March 2025, the DSRA contained US\$17,023 thousand, (31 December 2024: US\$16,793 thousand).

10. Share capital and reserves**Share capital**

As at 31 March 2025 the ordinary share capital of the Parent consists of 169,381,561 issued and fully paid ordinary shares, which are listed on the London Stock Exchange. The ordinary shares have a nominal value of GB£ 0.01. The ordinary shares have a nominal value of GB£ 0.01. There were no movements in the number of shares during the three months ended 31 March 2025.

The movements in the number of shares during the year ended 31 December 2023 was as follows:

<i>Number of shares</i>	In circulation	Treasury capital	Deferred shares	Total
As at 31 December 2023	169,086,713	294,848	15,244,344,036	15,413,725,597
Acquisition and cancellation of deferred shares	–	–	(15,244,344,036)	(15,244,344,036)
As at 31 December 2024	169,086,713	294,848	–	169,381,561
As at 31 March 2025	169,086,713	294,848	–	169,381,561

Notes to the interim condensed consolidated financial statements (continued)

Treasury shares were issued to support the Group's obligations to employees under the Employee Share Option Plan ("ESOP") and the Long-Term Incentive Plan ("LTIP") and are held by Intertrust Employee Benefit Trustee Limited as trustee for the Nostrum Oil & Gas Benefit Trust.

As part of the Restructuring, on 9 February 2023 the Company issued 1,505,633,046 new shares in connection with the repayment of the remaining face value of the Existing Notes following the issue of the New Notes (see Note 14 below), together with accrued but unpaid interest (the "Debt for Equity Swap"). Given the number of new shares issued, at the close of business on 9 February 2023 the Company also performed a share consolidation, so as to achieve an appropriate share price following closing of the Restructuring (Note 1). As a result, the number of ordinary shares in issue was reduced from 1,693,816,004 (following the issue of the new shares) to 169,381,561 ordinary shares, on the basis of a 10:1 consolidation (the "Share Consolidation"). In order to give effect to the Share Consolidation, the Company initially reduced the nominal value of the ordinary shares (the "Sub-Division") after the issue of the new shares, through sub-division of each ordinary share at a ratio of 1:10 into one ordinary share of nominal value of £0.001 each together with nine deferred shares of nominal value £0.001 each (the "Deferred Shares"). The resulting 15,244,344,036 Deferred Shares carried no economic or voting rights in the capital of the Company and were subsequently acquired by the Company for nil consideration and cancelled on 2 December 2024.

The nominal value of the ordinary shares following the Share Consolidation was £0.01 each. Fractions of new ordinary shares were not issued in connection with the Share Consolidation and any fractional entitlements were rounded down to the nearest whole ordinary share.

In February 2023, as part of the restructuring of the Company's Notes, the Debt for Equity swap was recorded by the Company in accordance with the requirements of IFRS 9 Financial Instruments and IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments. As part of the restructuring of the Notes, the share premium of US\$792,744 thousand was recognised, which included:

- US\$23,133 thousand recognized as part of the shares issued with an estimated fair value of US\$42,356 thousand.
- US\$769,611 thousand recognised as a difference between Old Notes balance of US\$814,181 thousand and the fair value of the shares issued in the amount of US\$42,356 thousand as described above after deduction of the relevant proportion of lock-up fees of US\$2,213 thousand.

Other reserves

The movements in the Group's other reserves is presented as follows:

<i>In thousands of US Dollars</i>	Reorgani- sation and restructuring reserve	Foreign currency translation reserves	Share- option reserves	Total
As at 31 January 2024	255,688	2,674	3,761	262,123
Currency translation difference	–	(231)	–	(231)
Repurchase and cancellation of deferred shares	18,551	–	–	18,551
As at 31 December 2024	274,239	2,443	3,761	280,443
Currency translation difference	–	(50)	–	(50)
As at 31 March 2025	274,239	2,493	3,761	280,493

Reorganisation and restructuring reserve in the amount of US\$255,688 thousand as at 1 January 2023 represents the difference between the partnership capital, treasury capital and additional paid-in capital of Nostrum Oil & Gas LP, the share capital of Nostrum Oil & Gas PLC, that arose during the reorganisation of the Group in 2014.

The movements in reorganisation and restructuring reserve during the year ended 31 December 2024 result from cancellation of the deferred shares as described above.

There were no distributions made during the three months ended 31 March 2025 and the year ended 31 December 2024.

11. Earnings per ordinary share

As at 31 March 2025 the ordinary share capital of the Parent consists of 169,381,561 issued and fully paid ordinary shares, which are listed on the London Stock Exchange. The ordinary shares have a nominal value of GB£0.01. For the purpose of calculations of earnings per share the number of shares for the three months ended 31 March 2024 has been adjusted as required under IAS 33.64 for the effect of the sub-division and consolidation of the ordinary share capital occurred after close of business on 9 February 2023.

	For the three months ended 31 March	
	2025 (unaudited)	2024 (unaudited)
Loss for the period attributable to the shareholders	(26,416)	(27,910)
Basic earnings per share (in US dollars)	(0.16)	(0.16)
Diluted earnings per share (in US dollars)	(0.14)	(0.15)
Weighted average number of shares	169,381,600	169,381,600
Effects of dilution from warrants	18,818,296	18,818,296
Weighted average number of ordinary shares adjusted for the effect of dilution	188,199,896	188,199,896

The weighted average number of ordinary shares is 169,086,713, based on all issued shares excluding treasury shares.

12. Notes payable and accumulated interest

Notes payable and accumulated interest are comprised of the following as at 31 March 2025 and 31 December 2024:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Senior Unsecured Notes:		
Principle	438,061	438,061
Adjustments for fair value and arrangement fees	(77,886)	(89,604)
Accrued interest	15,474	142
Subtotal	375,649	348,599
Senior Secured Notes:		
Principle	250,000	250,000
Adjustments for fair value and arrangement fees	(23,006)	(27,263)
Accrued interest	3,160	35
Subtotal	230,154	222,772
Notes payable and accumulated interest	605,803	571,371
Less amounts due within 12 months	(18,634)	(177)
Notes payable, long-term	587,169	571,194

Senior Secured Notes (SSNs)

Following the Restructuring of the 2025 and 2022 Notes, Nostrum Oil & Gas Finance BV, issued US\$250,000,000 senior secured notes due 30 June 2026. The SSNs bear cash-pay interest at a rate of 5.0% per year, payable semi-annually. Pursuant to the Lock-up Agreement, the Group has agreed that the 5.0% cash interest will accrue from 1 January 2022 and such accrued amount was paid in cash after the issue of the SSNs.

Senior Unsecured Notes (SUNs)

Following the Restructuring of the 2025 and 2022 Notes, Nostrum Oil & Gas Finance BV issued US\$300,000,000 senior notes due 30 June 2026. The SUNs bear interest at a rate of 1.0% cash-pay and 13.0% payment-in-kind (PIK) per year, payable semi-annually. Pursuant to the Lock-up Agreement, the Company agreed that the 1.0% cash interest and 13.0% PIK interest would accrue from 1 January 2022. Accordingly, Nostrum Oil & Gas Finance issued a principal amount of US\$45,078,172 additional SUNs representing the PIK interest which has been agreed to be payable with effect from 1 January 2022 until 9 February 2022 upon the issue of the SUNs.

Notes to the interim condensed consolidated financial statements (continued)

2022 Notes

On 25 July 2017, a newly incorporated entity, Nostrum Oil & Gas Finance B.V. (the "2022 Issuer") issued US\$725,000 thousand notes with maturity on 25 July 2022. The 2022 Notes bore interest at a rate of 8.00% per year, payable on 25 January and 25 July of each year. The 2022 Notes were jointly and severally guaranteed (the "2022 Guarantees") on a senior basis by Nostrum Oil & Gas PLC, Nostrum Oil & Gas Coöperatief U.A., Zhaikmunai LLP and Nostrum Oil & Gas B.V. (the "2022 Guarantors"). The 2022 Notes were the 2022 Issuer's and the 2022 Guarantors' senior obligations and ranked equally with all of the 2022 Issuer's and the 2022 Guarantors' other senior indebtedness. The issue of the 2022 Notes was used primarily to fund the refinancing of part of the Group's Notes issued in 2012 and 2014.

2025 Notes

On 16 February 2018, Nostrum Oil & Gas Finance B.V. (the "2025 Issuer") issued US\$400,000 thousand notes with maturity on 16 February 2025. The 2025 Notes bore interest at a rate of 7.00% per year, payable on 16 August and 16 February of each year. The 2025 Notes were jointly and severally guaranteed (the "2025 Guarantees") on a senior basis by Nostrum Oil & Gas PLC, Nostrum Oil & Gas Coöperatief U.A., Zhaikmunai LLP and Nostrum Oil & Gas B.V. (the "2025 Guarantors"). The 2025 Notes were the 2025 Issuer's and the 2025 Guarantors' senior obligations and ranked equally with all of the 2025 Issuer's and the 2025 Guarantors' other senior indebtedness. The issue of the 2025 Notes was used primarily to fund the refinancing of the remaining Group's Notes issued in 2012 and 2014.

Exchange of debt instruments

Taking into account significant differences in the terms of the Existing Notes and the terms of SSNs and SUNs issued in exchange, the Group accounted for the exchange transaction in accordance with the requirements of IFRS 9 Financial Instruments for a substantial modification, i.e. extinguishment of the Existing Notes and recognition of the New Notes at their fair value.

Such fair values have been determined by discounting future cashflows at the relevant implied yields of the instruments on issue date (13.25% for SSNs and 31.04% for SUNs). The resulting gains on initial recognition of SSNs and SUNs in the amount of \$40,294 thousand and \$134,132 thousand, respectively, were recorded in the income statements under separate line item. These adjustments will be amortised over the life of the instruments and reflected as part of finance costs in the income statement.

SSNs and SUNs covenants

The SSNs and SUNs contained consistent covenants that, among other things, sets following requirements, subject to certain exceptions and qualifications, the Issuer, the Guarantors, and certain other members of the Group:

- Produce reports to holders, including quarterly and annual financial statements and certain other reports and documents upon request from bondholders;
- Limitations on Indebtedness;
- Limitations on restricted payments;
- Limitations on restrictions on distributions from Group entities;
- Limitations on sales of assets and equity interests in Group subsidiaries;
- Limitations on affiliate transactions;
- Limitation on line of business;
- Listing of the bonds on international stock exchange;
- Change of Control;
- Limitation on Liens;
- Limitation on issuances of guarantees of Indebtedness;
- Payments for Consents;
- Additional Amounts;
- Compliance Certificates; Default Notices;
- Registration with the National Bank of Kazakhstan;
- Merger and Consolidation;
- Cashflow Arrangements.

In addition, the indentures imposed certain requirements as to future subsidiary guarantors, and certain customary information covenants and events of default.

13. Trade payables

Trade payables comprise the following as at 31 March 2025 and 31 December 2024:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Tenge denominated trade payables	6,698	6,771
US Dollar denominated trade payables	1,216	1,165
Euro denominated trade payables	278	211
GB Pound denominated trade payables	633	–
Trade payables denominated in other currencies	40	91
	8,865	8,238

14. Other current liabilities

Other current liabilities comprise the following as at 31 March 2025 and 31 December 2024:

<i>In thousands of US Dollars</i>	31 March 2025 (unaudited)	31 December 2024 (audited)
Training obligations accrual	5,351	5,598
Taxes payable, including corporate income tax	4,796	2,403
Due to employees	4,698	3,820
Other accruals	3,937	3,751
Other current liabilities	809	1,041
	19,591	16,613

Other accruals include various amounts accrued according to management best estimates and assessment of probabilities of cash outflows, such as penalties related to tax audit payments, environmental provision and other similar items.

Notes to the interim condensed consolidated financial statements (continued)

15. Revenue

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Revenue from oil and gas condensate sales	16,369	24,019
Revenue from gas and LPG sales	8,726	6,086
Revenue from third-party hydrocarbon processing	4,903	1,730
Revenue from sulphur sales	13	–
	30,011	31,835

The pricing for all of the Group's crude oil, condensate and LPG is, directly or indirectly, related to the price of Brent crude oil. The average Brent crude oil price for the three months ended 31 March 2025 was US\$ 75.9/bbl (three months ended 31 March 2024: US\$83.9/bbl).

During the three months ended 31 March 2024 the revenue from sales to three major customers amounted to US\$5,820 thousand, US\$3,128 thousand and US\$3,080 thousand, respectively (three months ended 31 March 2024: US\$12,364 thousand, US\$10,609 thousand and US\$2,785 thousand, respectively).

The operations of the Group are located in only one geographic location, Kazakhstan.

16. Cost of sales

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Depreciation, depletion and amortisation	8,233	6,396
Payroll and related taxes	4,441	4,787
Materials and supplies	2,599	1,775
Repair, maintenance and other services	1,874	1,793
Well repair and maintenance costs	1,533	997
Transportation services	725	900
Change in stock	(402)	98
Environmental levies	67	45
Other	169	224
	19,239	17,015

17. General and administrative expenses

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Payroll and related taxes	2,047	1,960
Professional services	1,008	1,098
Business travel	139	144
Insurance fees	113	119
Depreciation and amortisation	92	49
Communication	40	44
Materials and supplies	25	24
Short-term leases	29	33
Bank charges	7	7
Other	80	98
	3,580	3,576

18. Selling and transportation expenses

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Transportation costs	950	1,286
Loading and storage costs	526	1,053
Payroll and related taxes	488	465
Other	394	500
	2,358	3,304

19. Taxes other than income tax

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Export customs duty	944	1,983
Royalties	990	1,241
Government profit share	249	325
Other taxes	96	158
	2,279	3,707

Export customs duty is comprised of customs duties for export of crude oil and customs fees for services such as processing of declarations and temporary warehousing.

20. Finance costs

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Interest expense on borrowings	33,592	28,068
Other finance costs	60	–
Unwinding of discount on amounts due to Government of Kazakhstan	151	151
Unwinding of discount on abandonment and site restoration provision	318	260
	34,121	28,479

21. Other expenses

In thousands of US Dollars	For the three months ended 31 December	
	2025 (unaudited)	2024 (unaudited)
Business development costs	1,264	841
Training accruals	323	159
Other taxes and penalties	231	91
Social program	96	78
Currency conversion	46	50
Social contribution	23	–
Loss on disposal of property, plant and equipment	12	39
Sponsorship	–	11
Other	416	506
	2,411	1,775

Other taxes and penalties mainly include additional taxes and penalties assessed in relation to prior periods considering new information, which was not available at the time of preparation of respective financial information, and relevant interpretations by the management.

Notes to the interim condensed consolidated financial statements (continued)

22. Income tax

In thousands of US Dollars	For the three months ended 31 March	
	2025 (unaudited)	2024 (unaudited)
Corporate income tax expense	1,238	3,000
Deferred income tax benefit	(6,461)	42
Withholding tax	237	189
Adjustment in respect of the deferred income tax for the prior periods	445	–
Adjustment in respect of the current income tax for the prior periods	(384)	–
	(4,925)	3,231

Corporate income tax is recognised based on the estimated annual effective income tax rate applied to the income before tax for the three months ended 31 March 2025. Differences between the recognition criteria in IFRS and under the statutory taxation regulations give rise to a temporary difference between the carrying value of certain assets and liabilities for financial reporting purposes and for income tax purposes. The tax effect of the change in temporary differences is recorded at the applicable statutory rates, including the prevailing Kazakhstani tax rate of 30% applicable to income derived from the Chinarevskoye subsoil use license.

A major part of the Group's tax bases of non-monetary assets and liabilities is determined in Tenge. Therefore, any change in the US dollar/ Tenge exchange rates results in a change in the temporary difference between the tax bases of non-current assets and their carrying amounts in the financial statements.

23. Related party transactions

For the purpose of these interim condensed consolidated financial statements transactions with related parties mainly comprise transactions between subsidiaries of the Company and the key management.

Remuneration (represented by short-term employee benefits) of key management personnel amounted to US\$913 thousand for the three months ended 31 March 2025 (the three months ended 31 March 2024: US\$986 thousand).

24. Contingent liabilities and commitments**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. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe and where the tax authorities disagree with the positions taken by the Group the financial outcomes could be material. Administrative fines are generally 80% of the taxes additionally assessed and interest penalty is assessed at the refinancing rate established by the National Bank of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by tax authorities for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods. Because of the uncertainties associated with Kazakhstan's tax system, the ultimate amount of taxes, penalties and interest, if any, may be in excess of the amount expensed to date and accrued at 31 March 2025. As at 31 March 2025 management believes that its interpretation of the relevant legislation is appropriate and that it is probable that the Group's tax position will be sustained.

Pending tax disputes

In late 2023 the Kazakhstan tax authorities conducted a withholding tax audit of Zhaikmunai LLP for the financial year 2018, and in January 2024 issued a withholding tax assessment equivalent to US\$6.8 million and related fines and penalties equivalent to US\$5.1 million. According to Company's best estimates, the application of similar arguments to the periods 2019-23 could result in additional amounts of taxes and penalties in the amount of circa US\$3.0 million. This excludes other items included within the assessment which the Company believes to be a remote risk.

Whilst Zhaikmunai LLP successfully challenged the legality and enforceability of the 2018 withholding tax assessment in January 2024, the Kazakhstan tax authorities subsequently filed an appeal in April 2024, and the appellate court ruled in favour of Zhaikmunai. In June 2024 the tax authorities submitted a final appeal to the Supreme Court of Kazakhstan, which in May 2025 made a ruling in favour of the tax authorities. An appeal filed by Zhaikmunai LLP in relation to the 2018 withholding tax assessment is subject to review by a specialised committee under the purview of the Ministry of Finance.

As Kazakhstan's tax legislation and regulations are subject to varying interpretations and instances of inconsistent opinions between local, regional, and national tax authorities and courts, management assesses the risk of an unfavourable outcome for Zhaikmunai in pending and future legal proceedings as possible.

Abandonment and site restoration (decommissioning)

As Kazakh laws and regulations concerning site restoration and clean-up evolve, the Group may incur future costs, the amount of which is currently indeterminable. Such costs, when known, will be provided for as new information, legislation and estimates evolve.

Environmental obligations

The Group may also be subject to loss contingencies relating to regional environmental claims that may arise from the past operations of the related fields in which it operates. Kazakhstan's environmental legislation and regulations are subject to ongoing changes and varying interpretations. As Kazakh laws and regulations evolve concerning environmental assessments and site restoration, the Group may incur future costs, the amount of which is currently indeterminable due to such factors as the ultimate determination of responsible parties associated with these costs and the Government's assessment of respective parties' ability to pay for the costs related to environmental reclamation.

However, depending on any unfavourable court decisions with respect to any claims or penalties assessed by the Kazakh regulatory agencies, it is possible that the Group's future results of operations or cash flow could be materially affected in a particular period.

Capital commitments

As at 31 March 2025, the Group had contractual capital commitments in the amount of US\$13,892 thousand (31 December 2024: US\$11,288 thousand), mainly in respect to the Group's oil field development activities.

Social and education commitments

As required by the Contract (after its amendment on 2 September 2019), the Group is obliged to:

- spend US\$ 300 thousand per annum to finance social infrastructure;
- make an accrual of one percent per annum of the actual investments for the Chinarevskoye field for the purposes of educating Kazakh citizens.

Domestic oil sales

In accordance with Supplement # 7 to the Contract, Zhaikmunai LLP is required to deliver at least 15% of produced oil to the domestic market on a monthly basis for which prices are materially lower than export prices.

Notes to the interim condensed consolidated financial statements (continued)

25. Financial risk management objectives and policies**Fair values of financial instruments**

Management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts at 31 March 2025 and 31 December 2024.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts reasonably approximating their fair values:

	Carrying amount		Fair value	
	31 March 2025 (unaudited)	31 December 2024 (audited)	31 March 2025 (unaudited)	31 December 2024 (audited)
<i>In thousands of US Dollars</i>				
Interest bearing borrowings	605,803	571,371	195,786	186,660
Total	605,803	571,371	195,786	186,660

The fair value of the financial assets and liabilities represents the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of the quoted notes is based on price quotations at the reporting date and respectively categorised as Level 1 within the fair value hierarchy.

During the periods ended 31 March 2025 and 31 March 2024 there were no transfers between the levels of fair value hierarchy of the Group's financial instruments.

Capital management

For the purpose of the Group's capital management, capital includes issued capital, additional paid-in capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

Since the engagement with the AHG in discussions on potential restructuring of the Notes and signing of the FBAs in 2020 (see Note 1), the Group's focus was on maintaining short-term liquidity and preserving cash. Successful cost optimisation programme, favourable hydrocarbon pricing and successful restructuring enabled the Group to grow its unrestricted cash balances to the level of US\$148,554 thousand as at 31 March 2025. After successful implementation of the restructuring, the Group is in the process of revising its capital management policy in line with new requirements of SSN and SUN trust deeds and shareholder expectations.

26. Events after the reporting period

There were no events after the reporting period, which would require further disclosure in accordance with IFRS requirements.