Nostrum Oil & Gas PLC

Interim financial report

For the six months ended 30 June 2026 ("H1 2026")

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Interim management report

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Some of the statements in this interim financial report are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Group or its officers with respect to various matters. When used in this document, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements.

Overview

Nostrum Oil & Gas PLC (the "Company" and together with its subsidiaries the "Group" or "Nostrum") is an independent energy company with gas processing infrastructure and export hub in north-west Kazakhstan. Nostrum, through its indirectly wholly-owned subsidiary Zhaikmunai LLP, is currently the owner and operator of the Chinarevskoye oil and gas condensate field in Kazakhstan (the "Chinarevskoye Field"). In addition, Nostrum owns an 80% stake in Positiv Invest LLP, which holds the subsoil use rights for the "Kamenskoe" and "Kamensko-Teplovsko-Tokarevskoe" areas in the West Kazakhstan region (the "Stepnoy Leopard Fields").

Chinarevskoye Field and reserves

The Group's primary producing field and licence area, which has been the Group's primary source of production to date, is the Chinarevskoye Field located in the northern part of the oil-rich Pre-Caspian Basin. The Chinarevskoye Field, approximately 274 square kilometres in size, is located in the West-Kazakhstan Oblast, near the border between Kazakhstan and Russia, and close to the main international railway lines in and out of Kazakhstan as well as to several major oil and gas pipelines.

Zhaikmunai LLP carries out its activities in accordance with the Contract for Additional Exploration, Production and Production-Sharing of Crude Hydrocarbons in the Chinarevskoye Field (the "PSA") dated 31 October 1997 in accordance with the license MG No. 253D.

Chinarevskoye Field is a multi-layer structure with 17 reservoirs and 53 compartments spread over three areas. Commercial hydrocarbons have been found in the Lower Permian, Bashkirian, Bobrikovski, Tournaisian, Frasnian, Mullinski, Ardatovski, and Biyski-Afoninski reservoirs.

The Group provided an estimate of the Chinarevskoye Proven, Probable and Possible reserves as at 31 December 2025, which was internally prepared under the guidelines set forth in the 2018 Petroleum Resources Management System and was not subject to an external audit as no material change in the reserves development was made.

Total estimated 2P (Proved and Probable) reserves were 11.8 mmboe as at 31 December 2025, requiring seven capital interventions, with additional seven operating well interventions for production maintenance.

Stepnoy Leopard Fields and reserves

The Group's activities on the Stepnoy Leopard Fields are carried out by Positiv Invest LLP, which has 100% subsoil use rights under the contract No.25 dated 3 March 1995, for the assessment, development and production of hydrocarbons valid until December 2044.

The Stepnoy Leopard Fields are located approximately 60-120 km west of Nostrum's Chinarevskoye Field and within 10 km of its oil and condensate loading terminal.

The Stepnoy Leopard Fields consist of two licence areas covering multiple hydrocarbon-bearing reservoirs across the Permian Artinskian, Filippovski, and Kalinovski reservoirs in the West-Kazakhstan Region. The reservoirs are carbonate formations, characterised by a high degree of reservoir properties heterogeneity and partially high fracture permeability.

In 2025, the Field Development Plan (FDP) for the Stepnoy Leopard fields was approved by the Ministry of Energy of the Republic of Kazakhstan. Subsequently, the Group initiated a broader reassessment of the development strategy for the Stepnoy Leopard fields, reflecting a review of subsurface assumptions, project scope, economics, infrastructure access, sales delivery points, regulatory requirements and capital allocation priorities. As part of this process, the Group no longer treats the 2024 CPR as the definitive basis for development planning and has engaged McDaniel & Associates Ltd. to prepare a new independent CPR. In parallel, the Group is continuing in-house subsurface work to support this reassessment and to inform a fresh review of the development approach.

The Company expects that amendments to the Field Development Plan will be required, reflecting potential changes to the development concept and the production start-up timeline. The first production well, Wtp-102, is currently planned to be drilled in H2 2026. Upon completion, a clean-up and testing programme will be carried out. The drilling and testing from this well will be used to further refine the development concept.

Processing third-party volumes

Since December 2023 Nostrum has been processing third-party hydrocarbons delivered by Ural Oil & Gas LLP ("Ural O&G") from the Rozhkovskoye field, which is situated less than 20 km from the Chinarevskoye Field. Ural O&G is jointly owned by KazMunaiGas ("KMG") (50%), MOL (27.5%) and Sinopec (22.5%).

In 2023, 158.8 mmboe of gas and condensate were expected to be recoverable from the Rozhkovskoye field (according to MOL), which included 101.5 mmboe of gas and 57.3 mmboe of condensate, based on the Kazakhstan State Balance Reserves Report.

In March 2025, Zhaikmunai LLP entered into an agreement with Ural O&G to extend the processing of the hydrocarbons until May 2031 on new terms based on fixed processing fee structure across all products.

548 million cubic metres of raw gas and 384 thousand tonnes of condensate feed is expected from Ural O&G in 2026 (according to KMG).

Infrastructure

Nostrum's key operational facilities include:

- Gas treatment facility (GTF) which includes three gas treatment units (GTU 1, 2 & 3) with a total capacity to treat 4.2 billion cubic metres of raw gas per annum and produce condensate, LPG and dry gas with a by-product of granulated sulphur.
- The oil treatment facility (OTF) with a maximum throughput capacity of 400,000 tonnes of crude oil per annum.
- Gas Lift system consisting of three gas-lift compressors is designed to enhance oil and gas-condensate production. Currently, the compressors are running at their maximum capacity of 50,000 cubic meters per hour.
- Low-pressure system (LPS) to facilitate the reduction of the GTF inlet pressure from 42 to 8 bar, to prolong the production-life of the wells, primarily gas-condensate. In Q4 2025, the LPS3 project was completed, adding 10,400 cubic metres per hour of inlet compression capacity and increasing total installed low-pressure system capacity to 58,400 standard cubic metres per hour.
- Gas-fired power generation plant linked to the GTF with an output of 26 megawatts electrical power, which is sufficient to meet the existing and the maximum future need. Backup generation capacity of up to 15 megawatts is available at the processing facilities.
- Storage capacity for over 35,000 cubic metres of liquids at the field site and rail loading terminal.
- 17-km dry gas pipeline which is connected to the Orenburg-Novopskov gas pipeline, which is sufficient to export the entire dry gas volumes produced at GTF maximum production capacity.
- 120-km liquids pipeline that runs from the Chinarevskoye processing facilities to the Company's rail loading terminal in Beles (near Uralsk). The pipeline has a maximum throughput capacity of 3,500 tonnes per day.
- Automated rail loading terminal at Beles (near Uralsk), that receives all produced crude oil and condensate and has a capacity of 5,000 tonnes per day.
- Secondary crude oil pipeline enabling export sales from rail loading terminal via the Atyrau-Samara export pipeline operated by KazTransOil (KTO).
- Other facilities include multiple oil gathering and transportation lines, warehouse and storage facilities, and an employee field camp.

Products and sales

Nostrum produces crude oil, condensate, LPG, dry gas and granulated sulphur. In addition, since December 2023 the Group has been processing third-party hydrocarbons.

The Group sells crude oil, gas condensate and LPG under agreements priced by reference to Platt's and/or Argus' index quotations and adjusted for freight, insurance and quality differentials where applicable.

Crude oil domestic sales are conducted typically at prices substantially lower than Brent and subject to domestic sales agreements in Tenge.

The Group sells dry gas under the agreement with Brent-based price formula agreed until 30 June 2027.

The Group exports 100% of its condensate by railcar through Aktau port to various destinations including Mediterranean as well as Uzbekistan.

During H1 2026, all exported crude oil volumes were sold through the KTO pipeline. In accordance with the PSA, Zhaikmunai LLP is required to deliver at least 15% of produced oil to the domestic market.

Chinarevskoye LPG is shipped to various final destinations in Central Asia. LPG produced from Ural O&G feedstock is sold domestically.

The Group's dry gas is sold domestically to JSC National Company QazaqGas.

Market review

Geographical location

Nostrum is situated at the heart of the export corridor between Russia and multiple markets to the west of the Caspian. However, given the remote location of the Group's assets from the international oil trading hubs, the Group is required to incur substantial transportation costs to deliver its products to those sales points or provide equivalent discounts to the offtakers.

The location of Nostrum's assets in close proximity to some of the most significant hydrocarbon resources in Kazakhstan, gives an opportunity for utilisation of its spare gas processing capacity to meet the country's growing demand for gas.

Oil prices and Geopolitical uncertainty

In H1 2026, global energy markets continued to operate within a complex geopolitical environment. Ongoing geopolitical tensions, contributed to market uncertainty and volatility in global oil prices. During the period, the average Brent crude price was US$92.20, at times approaching US$120 per barrel, reflecting elevated risk premiums and uncertainty around supply availability.

A significant share of the Group's revenues from oil, condensate, gas and LPG is directly or indirectly linked to benchmark crude oil prices. Hence, elevated Brent price has favourably impacted the Group's revenues in H1 2026.

Kazakhstan's economy

Annual inflation in June 2026 eased to 10.6%, from 12.3% in December 2025, which was driven by strengthening of the Kazakhstani Tenge (KZT) against the US dollar, averaging 486.56 KZT per US dollar appreciating by approximately 4.9% against the H1 2025 average of 511.63 KZT per US dollar and by 8.3% compared to H2 2025 average of 530.43 KZT per US dollar. As a result, this has negatively impacted the Group's cost base, significant portion of which is KZT-denominated, including local payroll as well as locally procured materials and services.

Competitive environment

As the world's largest landlocked country, Kazakhstan depends on an extended network of pipelines and railways to deliver its products to export markets. Pipeline exports are primarily delivered via Russia (Atyrau-Samara and the Caspian Pipeline Consortium pipelines); via Azerbaijan and Turkey (the Baku- Tbilisi-Ceyhan pipeline); and one via China (Atasu-Alashankou).

During the period the Group faced temporary difficulties with exports of its condensate to Uzbekistan, due to the oversaturation of this market by other regional suppliers. At the same time, the Group achieved substantially higher ratios of oil exports during H1 2026, which also helped improved its netbacks compared to H1 2025.

Kazakhstan's energy transition strategy

In June 2025, the Government of the Republic of Kazakhstan approved a new Comprehensive Plan for the Development of the Gas Industry for 2025–2029, which places greater emphasis on expanding processing capacity and infrastructure, including the construction of new gas processing projects at major fields such as Karachaganak, Kashagan and Zhanaozen. The plan is aligned with Kazakhstan's broader commitment to achieving carbon neutrality by 2060, which requires a transformation of the national energy system, including a shift towards cleaner sources of energy, increased energy efficiency and the gradual reduction of reliance on coal.

In this context, natural gas continues to play a key role as a transition fuel, supporting both energy security and emissions reduction objectives. Utilisation of existing gas processing infrastructure, including the Nostrum GTF, is an important factor in addressing Kazakhstan's growing gas supply-demand imbalance. Nostrum represents one of the larger processing facilities in the country and has the potential to contribute up to 4 bcm of processing capacity annually.

Business review (continued)

Strategic initiatives

Nostrum's core strategy is to create value for its stakeholders by commercializing its infrastructure, with a focus on utilizing spare capacity through processing third-party hydrocarbons and expansion of its upstream asset base.

Nostrum continues to advance its third-party processing strategy through its long-term commercial arrangements with Ural O&G. The partnership remains important in supporting increased utilisation of the Group's gas processing infrastructure and diversifying revenue sources.

Nostrum is continuing a comprehensive reassessment of the development strategy for the Stepnoy Leopard fields. This exercise goes beyond updating the previous development concept and includes a broader review of subsurface modelling, development strategy, project economics, infrastructure access, sales delivery points, and regulatory and licence requirements.

The Group also continues to evaluate an opportunity of a potential connection to the Karachaganak field, which is located approximately 100 km south of our field site, and plays a key role in country's energy security and its energy transition goals.

In parallel with its core strategic business development initiatives, over the recent years, Nostrum has been in discussions with various potential purchasers of the Group's businesses. However, such approaches and discussions have not progressed beyond preliminary stages and have been at price levels significantly below the Group's outstanding debts balance. During 2026, one of those potential purchasers has expressed renewed interest in purchasing the Group's businesses and the Group is currently engaging with that interested party in relation to due diligence and potential transaction terms. Discussions remain ongoing and no binding agreement has been reached. See "Material Events" section on page 6 for further details.

Business strategy

Nostrum operates as a closely integrated team across all disciplines, committed to delivering excellence throughout the entire value chain. We take our corporate, social, and ecological responsibilities seriously and we are dedicated to the health, safety, and well-being of our employees and contractors.

The Company focuses on unlocking the full potential and value of its assets through the prism of the following strategic pillars:

Strategic pillars	2026 priorities	Risks
Developing upstream potential		
We continue to assess the Group's long-term growth options while broadening opportunities through selective investment and portfolio development.	• Revisit Chinarevskoye field drilling programme and requirements. • Maximise uptime of existing wells and production facilities. • Potential drilling of one well and progression of the Stepnoy Leopard development programme, subject to ongoing review.	• Significant subsurface uncertainties and risks could negatively impact drilling and appraisal campaigns. • Impact of equipment failure could delay the operating activities and cause additional costs. • At low production levels, unexpected sub-surface events could severely impact the Group's operating results. •
Pursuing new gas processing opportunities		
We continue to assess ways to commercialise spare capacity in the Group's gas processing facilities and to increase third-party throughput over time.	• Continue processing Ural O&G volumes and support implementation of fiscal metering arrangements. • Advance ongoing discussions with third parties interested in supplying raw gas to take advantage of the Group's gas processing capacity.	• Ural O&G project execution delays with installation of fiscal metering. • Ongoing negotiations with various counter-parties are complex and commercially sensitive, and there can be no certainty that agreement will be reached.
Managing our capital allocation		
We are strengthening a cost-conscious culture, seeking to improve the Group's capital structure and focusing on cash flow generation through disciplined capital and cost management.	• Assessment of the opportunities and their ranking for most efficient allocation of capital to maximise stakeholder returns. • Balance sales mix and maximise netbacks • Control Opex and G&A expenses.	• Challenges in attracting additional capital for execution of prospective opportunities. • Sustained higher commodity prices can lead to cost inflation in Kazakhstan. • Further spend on Chinarevskoye reservoir development will likely be needed to satisfy regulatory and licence-to-operate requirements.
Focusing on HSE and Compliance		
Maintaining high standards in health, safety and environmental management. Strengthening corporate governance through internal transformation and refined internal control framework.	• Safe operations and care for the environment (TRIR, LTIR, RTI). • Fulfilling social responsibility. • Transparency with all stakeholders through enhanced HSE and Compliance Reporting • Not to exceed greenhouse gas emissions target of 290,209 tons of CO2.	• Legal framework for environmental protection and operational safety still being developed in Kazakhstan. • See Principal Risks and Uncertainties section on pages 14-17.

Operational performance

Production and field development

The Group achieved a 5.2% increase in average daily processed volumes (i.e. Chinarevskoye and Ural O&G feedstock, including condensate tolling) reaching 25,898 boepd in H1 2026 (H1 2025: 24,619 boepd).

Such overall increase in throughput volumes was achieved through continuing to process the ramping up feedstock from Ural O&G.

However, production from the Chinarevskoye field decreased by 12.0% from 7,028 boepd in H1 2025 to 6,182 boepd in H1 2026. The expected decline in production was managed through well workovers of ESP failures and flow assurance well servicing.

Chinarevskoye Field

A comprehensive review and assessment of potential well workovers and new drilling prospects is underway. In June 2026, the company successfully completed the planned maintenance of Gas Treatment Unit 3 within planned timeline and without cost overruns.

Stepnoy Leopard fields

A comprehensive review of the overall development strategy for the Stepnoy Leopard Fields is underway, considering project economics, infrastructure access, sales delivery points, compliance with regulatory and license requirements and capital allocation priorities.

Processing of Ural O&G products

Throughout H1 2026, the Company continued processing raw gas and condensate volumes from Ural O&G, resulting in increased processed and titled output product volumes.

Sustainability

Sustainability has been a primary focus for Nostrum since its inception. By focusing on health and safety, our people, social responsibility, and the environment, we can advance our sustainability agenda. Within each focus area, we establish actionable activities and projects that are monitored by all levels of management and the board. Some of the results related to sustainability in H1 2026 include:

- Zero fatalities during operations to employees and contractors.
- Lost Time Injury Rate (incidents per million man-hours) ("LTI") of 2.3.
- Total Recordable Incidents Rate (incidents per million man-hours) of 3.0.
- 1,871 tonnes of regulated air emissions emitted in H1 2026 against 4,954 tonnes permitted for 2026 under the Kazakhstan Environmental Code.

Material events

Long-term standstill and changes to the Group's debt terms

In late 2025 and early 2026, one of the Group's strategic objectives was the restructuring of its Senior Secured Notes ("SSNs") and Senior Unsecured Notes ("SUNs"), both originally maturing on 30 June 2026 (SSNs and SUNs collectively referred to as the "Notes"), in order to support the Group's long-term liquidity and strategic objectives.

On 30 March 2026, the Group announced that it had reached an in-principle agreement with an ad hoc group of noteholders (the "Ad Hoc Forum") regarding the key commercial terms of the transaction (the "Proposed Transaction"). It included, among other matters, an extension of the maturity date of the Notes to 31 December 2030, revised interest terms for the Notes, an option to capitalise future interest payments subject to certain conditions, the provision of second-ranking security in favour of the SUN holders and a tender offer for up to US$30 million of the SSNs.

In June 2026, the Group was notified that in connection with the ongoing withholding tax disputes in Kazakhstan, certain restrictions were imposed on immovable assets securing the SSNs. The Applicable Kazakh Restrictions are principally intended to restrict the Group from disposing of immovable assets. Whilst the Applicable Kazakh Restrictions do not in themselves create any breach of the terms of the SSNs or SUNs and do not affect the ranking and priority of the security relating to the SSN Liabilities, they could have been interpreted (under the local tax code) to have interfered with some steps required to implement certain terms of the Proposed Transaction.

Following further discussions with the Ad Hoc Forum, an in-principle agreement was reached regarding certain amendments to the terms of the Proposed Transaction, that sought to implement a long-term standstill and replicated the effect of the Proposed Transaction that had been previously announced (the revised proposed transaction being, the "Transaction").

The Transaction was intended to provide the Group with a stable capital structure while the withholding tax disputes and the related restrictions remain unresolved. More specifically, the Transaction contemplated the following:

- **Long-term Standstill.** Deferral of the enforcement on the Notes principal payments to 1 January 2031, unless certain events of default occur or more than 50% of the SSN holders instruct otherwise.
- **Default interest.** Effective from 30 June 2026 a decrease in default interest on overdue SSN principal from 1.0% to 0.5% per annum; and a decrease in default interest on overdue SUN principal from 1.0% to 0.0% per annum.
- **SUNs Coupon rate.** Effective from 30 June 2026 a decrease in the interest rate of the SUNs from 14.00% per annum to 2.00% per annum paid in cash.
- **Capitalisation of interest.** An option for the Company to elect to capitalise payments of interest on the Notes based on working capital needs, provided that such election cannot be made in respect of two consecutive interest periods.
- **Tender for repurchase of SSNs.** An invitation to holders of the SSNs to tender their notes for repurchase in the form of a reverse Dutch auction, subject to a consideration cap of up to US$30 million with an expected acceptable price range of US$400 to US$600 per US$1,000 in principal amount.
- **Security**. SUNs shall receive the same security as the SSNs on a second ranking basis, within 60 days from the date that all applicable Kazakh Restrictions on immovable assets securing the SSNs cease to apply.
- **Warrants**. The existing warrants expire as at the date the consent conditions (other than the consent condition relating to the tender offer) are satisfied.

Subsequent to the end of the H1 period, on 20 July 2026, the relevant meetings were held, and the necessary approvals were obtained for the Transaction. The consent conditions as defined in the consent solicitation have therefore been satisfied, other than the consent condition relating to the tender offer. Accordingly, the warrants expired on 20 July 2026 and were delisted from TISE on 28 July 2026.

On 24 July 2026, Nostrum announced an invitation to holders of the SSNs to tender their notes for repurchase in the form of a reverse Dutch auction. The tender offer is subject to a consideration cap of up to US$30 million with an acceptable price range of US$400 to US$650 per US$1,000 in principal amount. The tender offer will expire at 5:00 p.m. (New York City time) on 21 August 2026. The results of the tender offer will be announced as soon as reasonably practicable after the expiry of the tender offer, following which settlement will be made within three business days.

Business review (continued)

Interest in potential purchase of the business

Over recent years, the Group has been in discussions with various potential purchasers of the Group's businesses. However, such approaches and discussions have not progressed beyond preliminary stages and have been at price levels significantly below the Group's outstanding debts balance. During 2026, one of those potential purchasers has expressed renewed interest in purchasing the Group's businesses and the Group is currently engaging with that interested party in relation to due diligence and potential transaction terms. Discussions remain ongoing and no binding agreement has been reached. The headline price, structure, conditions and application of any proceeds remain subject to negotiation. Based on the indicative price levels currently under discussion, the Group's current capital structure and the Group's current assessment of transaction costs, taxes, existing indebtedness, applicable restrictions and other liabilities, the Group currently expects that any such transaction, if agreed and completed, may enable repayment of the SSNs in full and repayment of the SUNs in part. The Group does not currently expect that there would be any material payments to ordinary shareholders of the Parent as part of any such transaction. Based on the current headline terms, such transaction would be subject to, among other things, shareholder and board approvals, agreement on definitive transaction documentation, requisite approvals of holders of the SUNs, requisite regulatory approvals and compliance with applicable laws. There can be no certainty whether or when any such transaction will be agreed, announced, implemented or completed, or as to its terms, conditions, timing or proceeds.

Kazakhstan withholding tax disputes

Zhaikmunai LLP is currently engaged in disputes with the tax authorities the Republic of Kazakhstan ("RoK") challenging the results of the tax audits of Zhaikmunai LLP for 2018, 2019, and 2020.

The table below provides a summary of the tax contingencies associated with the outstanding disputes with the tax authorities of the Republic of Kazakhstan as at 30 June 2026 converted from the original KZT denominated amounts into US Dollars at the official exchange rate of the National Bank of Kazakhstan of KZT 485.82 per US$1:

All amounts in US$ millions

Financial Year	Reason for dispute	Principal	Interest assessed*	Estimated additional interest*	Total
2018	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan. Applicability of withholding tax on income from consulting services.	17.0	12.7	8.4	38.1
2019	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan.	11.2	9.1	3.3	23.6
2020	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan.	11.7	10.6	1.0	23.3
Total		**39.9**	**32.4**	**12.7**	**85.0**

** Interest assessed represents amounts of penalty interest included in the tax audit reports for the periods up until the issuance of the relevant report. Additional interest has been estimated from the respective tax audit report issuance dates. No administrative fines have been imposed due to the expiry of the applicable statutory limitation periods.*

<u>2018 and 2019 withholding tax assessments:</u>

In late 2023 and late 2024, the Kazakhstan tax authorities conducted withholding tax audits of Zhaikmunai LLP for the financial years 2018 and 2019, respectively, and issued the resulting tax audit report on 22 January 2024 and 14 February 2025. The total amount of taxes and interest assessed in the tax audit reports in respect of 2018 and 2019 was approximately US$50.0 million, with additional interest of US$11.7 million estimated for the subsequent periods, which may be imposed by the tax authorities.

The comprehensive tax audit for the years 2016-2021 which was conducted by the Kazakhstan tax authorities and completed in early 2023, has covered withholding tax matters among a wide range of other taxes. In the view of this fact and other arguments, Zhaikmunai LLP successfully challenged the legality of conducting the repeat tax audit for 2018 at the court of first instance and the appellate court. However, in May 2025 the Supreme Court of Kazakhstan overturned the decisions of the lower courts and ruled in favour of the tax authorities. Zhaikmunai LLP also challenged the legality of the repeat withholding tax audit for 2019. Both the court of first instance and the appellate court ruled in favour of the tax authorities. In July 2025, Zhaikmunai LLP submitted a final appeal to the Supreme Court of Kazakhstan, which remains pending.

In parallel, Zhaikmunai LLP appealed the results of the 2018 and 2019 tax audits to the Appeals Board of the Kazakhstan Ministry of Finance. On 17 February 2026, Zhaikmunai LLP received notifications that, following the meeting held on 13 February 2026, the Appeals Board had rejected the Company’s appeals against the results of the repeat tax audits for 2018 and 2019.

Following the Appeals Board’s decisions, Zhaikmunai LLP filed claims with the court of first instance challenging the underlying tax assessments. On 13 May 2026, the court of first instance rejected Zhaikmunai LLP’s claims in respect of the 2018 and 2019 withholding tax assessments. On 20 July 2026, Zhaikmunai LLP filed an appeal to Appeals Court against the decision of the court of first instance. The appeal is expected to be considered by mid-September 2026. In the event of an adverse decision, Zhaikmunai LLP may be required to settle the related tax assessments, including applicable interest, or otherwise tax authorities have the right to suspend the bank accounts of Zhaikmunai LLP until the resulting tax debt is paid.

<u>2020 withholding tax assessments:</u>

In late 2025, the Kazakhstan tax authorities conducted withholding tax audits of Zhaikmunai LLP for the financial year 2020 and issued the resulting tax audit report on 11 February 2026. The total amount of taxes and interest assessed in the tax audit report in respect of 2020 was approximately US$22.3 million, with an additional interest of US$1.0 million estimated for subsequent period, which may be imposed by the tax authorities.

On 17 March 2026 Zhaikmunai LLP submitted an appeal against the results of the tax audit to the Appeals Board of the Kazakhstan Ministry of Finance. As of the date of authorisation of this report, no decision had been announced by the Appeals Board.

<u>2021-2025 estimates:</u>

There is a risk that the Kazakhstan tax authorities may apply a similar approach for the financial years 2021-2025, in which case additional assessment of tax principal and interest may be estimated at US$ 80.5 million. As of the date of authorisation of this report, tax audits for 2021-2025 had not commenced.

<u>Management position and further actions:</u>

Zhaikmunai LLP and the Group continue to consider treaty-based remedies and other available legal avenues to defend their positions. For instance, pursuant to the mutual agreement procedure ("MAP") under the relevant double tax treaty between the Kingdom of the Netherlands and the RoK in respect of the pertinent claims, the appeal at the RoK Ministry of Finance Appeal Board in relation to 2020 assessments may be suspended pending the outcome of the MAP. In accordance with the RoK Constitution, international treaties ratified by the RoK have priority over RoK domestic laws (including the RoK tax code) and RoK Supreme Court precedent provides that where an international treaty contains a mutual agreement procedure such as the MAP, for the good faith performance of the treaty such mutual agreement procedure, when invoked, should be conducted between the competent authorities of the two states party to the treaty to achieve the goals of such treaty. A treaty party may not invoke the provisions of its internal law as justification for a failure to perform its treaty obligations.

As Kazakhstan's tax legislation and regulations are subject to varying interpretations and instances of inconsistent positions between local, regional and national tax authorities and courts, management assesses the risk of an unfavourable outcome for Zhaikmunai LLP in the pending and any future legal proceedings as possible. Management considers the material elements of the assessments to be without merit or foundation and intends to defend its position vigorously and follow the appropriate legal and administrative processes.

In forming this assessment, management has considered the professional advice received, the applicable investment conventions and tax legislation in the relevant jurisdictions, and the facts and circumstances of each individual claim.

Regulatory license

The Group was previously required to pay accrued interest on its SSNs and SUNs due on 30 June 2025 and 31 December 2025. These payments were delayed due to payment administration issues while the Group sought the necessary regulatory licence required to process payments involving certain sanctioned noteholders.

On 29 May 2026, the required regulatory licence was obtained. Accordingly, on 12 June 2026 the Group settled the outstanding cash interest relating to the SSNs and SUNs for the interest periods ended 30 June 2025 and 31 December 2025. In accordance with the terms of the SUNs, the related payment-in-kind (PIK) interest for these periods was capitalised by increasing the principal amount of the outstanding SUNs.

Financial review

Results of operations for the six months ended 30 June 2026 and 2025

The table below sets forth the line items of the Group's interim condensed consolidated statement of comprehensive income for the six months ended 30 June 2026 and 2025 in US Dollars and as a percentage of revenue.

	For the six months ended 30 June			
In thousands of US Dollars	**2026**	% of revenue	**2025**	% of revenue
Revenue	**72,641**	100.0%	64,102	100.0%
Cost of sales	**(37,410)**	51.5%	(39,690)	61.9%
Gross profit	**35,231**	48.5%	24,412	38.1%
General and administrative expenses	**(8,382)**	11.5%	(7,082)	11.0%
Selling and transportation expenses	**(4,120)**	5.7%	(4,162)	6.5%
Taxes other than income tax	**(7,364)**	10.1%	(5,842)	9.1%
Finance costs	**(86,387)**	118.9%	(67,075)	104.6%
Impairment charge	**(4,853)**	6.7%	–	0.0%
Foreign exchange gain, net	**516**	0.7%	(39)	0.1%
Interest income	**2,757**	3.8%	2,333	3.6%
Other income	**3,233**	4.5%	16,792	26.2%
Other expenses	**(5,442)**	7.5%	(21,481)	33.5%
Loss before income tax	**(74,811)**	103.0%	(62,144)	96.9%
Income tax benefit/(expense)	**3,186**	4.4%	(4,587)	7.2%
Loss for the period	**(71,625)**	98.6%	(66,731)	104.1%
Currency translation difference	**55**	0.1%	40	0.1%
Total comprehensive loss for the period	**(71,570)**	98.5%	(66,691)	104.0%

For H1 2026, the Group recorded a total comprehensive loss of US$71.6 million, which represents an increase of US$4.9 million mainly due to the following key items:

- US$19.3 million increase in finance costs, resulting from higher interest expense on borrowings and amortisation of fair value adjustments and transaction cost on the Notes.
- US$4.9 million impairment recognised for surplus capital project materials classified as held-for-sale assets; offset by
- US$8.5 million higher revenues, driven by stronger Brent crude oil price, increased product volumes from Ural O&G feedstock as well as higher crude oil export ratio.
- Income tax benefit of $3.2 million as opposed to income tax expense of $4.6 million in H1 2025, driven by the movements in deferred tax liabilities.

Further detailed analysis of current period financial performance is provided below.

Revenue

The Group's revenue breakdown by product types was as follows:

	For the six months ended 30 June			
In thousands of US Dollar	**2026**	2025	**Variance**	Variance, %
Revenue from oil and gas condensate sales	**40,947**	37,936	3,011	7.9%
Revenue from gas and LPG sales	**22,622**	17,159	5,463	31.8%
Revenue from third-party processing	**8,071**	8,960	(889)	(9.9%)
Revenue from sulphur sales	**1,001**	47	954	2,029.8%
Total revenue	**72,641**	64,102	8,539	13.3%

The increase in the Group's revenue in H1 2026 was a result of:

- 28.2% higher average Brent crude oil price (US$92.2/bbl in H1 2026 vs US$71.9/bbl in H1 2025);
- increased gas and LPG volumes from Ural O&G feedstock;
- higher oil export ratio;
- US$1.0 million increase in sulphur sales.

The Group's revenue breakdown by export and domestic sales destinations was as follows:

	For the six months ended 30 June			
In thousands of US Dollar	**2026**	2025	**Variance**	Variance, %
Revenue from export sales	**43,755**	36,419	7,336	20.1%
Revenue from domestic sales	**28,886**	27,683	1,203	4.3%
Total revenue	**72,641**	64,102	8,539	13.3%

The increase in export sales is due to the higher average Brent price and higher export sales ratio notwithstanding overall decrease in oil & condensate sales volumes.

The net increase in domestic sales resulted from increased volumes of dry gas and LPG (from Ural O&G feedstock) and higher product prices, offset by lower domestic oil sales ratio.

The Group's sales volumes by products and production volumes were as follows:

	For the six months ended 30 June			
In boe	**2026**	2025	**Variance**	Variance, %
Oil and gas condensate sales volumes	**627,578**	822,873	(195,295)	(23.7%)
Gas and LPG sales volumes	**2,238,930**	1,992,554	246,376	12.4%
Total sales volumes	**2,866,508**	2,815,427	51,081	1.8%
Titled output product volumes*	**3,219,993**	3,072,110	147,883	4.8%

**Titled output product volumes include Chinarevskoye production and dry gas and LPG produced from Ural O&G feedstock. The difference between titled output product and sales volumes is primarily due to the internal consumption of dry gas produced and timing of product deliveries, which leads to inventory increases or decreases at period end.*

Decrease in oil and condensate sales volumes was due to:

- continuing decline in production from Chinarevskoye field;
- substantially higher inventory at the beginning of 2025, which was realised during H1 2025.

Increase in sales volumes of dry gas and LPG produced was mainly driven by higher Ural O&G feedstock.

Cost of sales

In thousands of US Dollars	2026	2025	Variance	Variance, %
	For the six months ended 30 June			
Depreciation, depletion and amortisation	**12,230**	16,279	*(4,049)*	*(24.9%)*
Payroll and related taxes	**10,691**	8,163	*2,528*	*31.0%*
Materials and supplies	**6,699**	5,556	*1,143*	*20.6%*
Repair, maintenance and other services	**3,938**	4,089	*(151)*	*(3.7%)*
Transportation services	**1,486**	1,536	*(50)*	*(3.3%)*
Well repair and maintenance costs	**2,530**	2,961	*(431)*	*(14.6%)*
Change in stock	**(727)**	581	*(1,308)*	*(225.1%)*
Environmental levies	**147**	131	*16*	*12.2%*
Other	**416**	394	*22*	*5.6%*
Total	**37,410**	39,690	*(2,280)*	*(5.7%)*

DD&A was lower in H1 2026 due to the 24% lower net book value of fixed assets as a result of US$87.2 million impairment charge recognised as at 31 December 2025.

Higher payroll and related taxes as a result of:
- annual wage indexation of 12%, effective from 1 January 2026;
- impact of Kazakh Tenge appreciation compared to H1 2025;
- increase in payroll taxes and contributions as a result of the changes in Kazakhstan Tax Code effective from 1 January 2-26.
- as well as one-off payments following optimisations.

Higher expenditures on materials and supplies, which was driven by the increased volumes of raw gas purchased from Ural O&G.

General and administrative (G&A) expenses

In thousands of US Dollars	2026	2025	Variance	Variance, %
	For the six months ended 30 June			
Payroll and related taxes	**5,238**	3,682	1,556	42.3%
Professional services	**2,212**	2,301	(89)	(3.9%)
Insurance fees	**255**	230	25	10.9%
Business travel	**123**	295	(172)	(58.3%)
Short-term leases	**137**	58	79	136.2%
Communication	**66**	78	(12)	(15.4%)
Depreciation and amortisation	**86**	184	(98)	(53.3%)
Materials and supplies	**76**	61	15	24.6%
Bank charges	**34**	14	20	142.9%
Other	**155**	179	(24)	(13.4%)
Total	**8,382**	7,082	1,300	18.4%

G&A expenses increased as a result of increased in payroll and related taxes, reflecting:
- annual wage indexation of 12%, effective from 1 January 2026,
- impact of Kazakh Tenge appreciation compared to H1 2025,
- increase in payroll taxes and contributions as a result of the changes in Kazakhstan Tax Code effective from 1 January 2026.
- one-off costs associated with the management changes and severance payments;
- payroll allocation to business development projects, which are included in “Other expenses”.

Selling and transportation expenses

In thousands of US Dollars	2026	2025	Variance	Variance, %
	For the six months ended 30 June			
Transportation costs	**1,776**	1,807	*(31)*	*(1.7%)*
Loading and storage costs	**503**	617	*(114)*	*(18.5%)*
Payroll and related taxes	**1,064**	938	*126*	*13.4%*
Other	**777**	800	*(23)*	*(2.9%)*
Total	**4,120**	4,162	*(42)*	*(1.0%)*

**The comparative information for H1 2025 was updated to align with current period presentation. For further detail refer to Notes 18 and 22 to the interim condensed consolidated financial statements included in this report.*

Selling and transportation remained on the same level. While there was a slight increase in the sales volumes and changes in condensate export delivery terms and destinations, net impact on the overall selling and transportation expenses was minimal.

Taxes other than income tax

In thousands of US Dollars	2026	2025	Variance	Variance, %
	For the six months ended 30 June			
Export customs duty	**3,954**	2,941	*1,013*	*34.4%*
Royalties	**2,061**	1,689	*372*	*22.0%*
Government profit share	**515**	403	*112*	*27.8%*
Other taxes	**834**	809	*25*	*3.1%*
Total	**7,364**	**5,842**	*1,522*	*26.1%*

The increase in Export customs duty by 34.4%, was driven by higher market prices.

The increases in Royalties and Government profit share by 22.0% and 27.8%, respectively, was caused by higher revenues.

Financial review (continued)

Finance Cost

In thousands of US Dollars	For the six months ended 30 June **2026**	2025	**Variance**	Variance, %
Amortisation of adjustments for fair value and arrangement fees	**45,318**	31,220	*14,098*	*45.2%*
PIK coupon accrual	**31,586**	27,848	*3,738*	*13.4%*
Cash coupon accrual	**8,539**	8,251	*288*	*3.5%*
Capitalised interest expenses	**(663)**	(1,412)	*749*	*(53.0%)*
Unwinding of discount on abandonment and site restoration provision	**527**	624	*(97)*	*(15.5%)*
Unwinding of discount on amounts due to Government of Kazakhstan	**244**	275	*(31)*	*(11.3%)*
Other finance costs	**836**	269	*567*	*210.8%*
Total	**86,387**	**67,075**	*19,312*	*28.8%*

Finance costs in H1 2026 increased by 28.8% mainly due to higher interest expense on borrowings as a result of capitalisation of PIK coupon on the SUNs and accelerated amortisation of the fair value adjustments and arrangement fees on the Notes.

Interest Income

Interest income increased by US$0.5 million, or 21.7%, to US$2.8 million in H1 2026 (H1 2025: US$2.3 million). The Company continued investing surplus cash balances in money market funds (MMFs). The increase in H1 2026 mainly resulted from a higher average cash balance invested and the impact of the temporary use of cash reserves for inter-company debt restructuring in early 2025.

Other Income

Other income decreased by US$13.6 million to US$3.2 million in H1 2026 (H1 2025: US$16.8 million), primarily due to the cancellation of SSNs and SUNs in H1 2025. No comparable income was recognised in H1 2026.

Other expenses

Other expenses decreased by US$16.1 million to US$5.4 million in H1 2026 (H1 2025: US$21.5 million), primarily due to payments under management incentive plan and higher business development costs in H1 2025, while there were no such payments were made in H1 2026. However, expenses on transportation and loading of LPG for customers was US$1.0 million higher in H1 2026 due to the market demand for LPG in more remote areas, which requires transportation to longer distances.

Income tax

In H1 2026 the Group recognised US$3.2 million income tax benefit as opposed to US$4.6 million income tax expense in H1 2025. A change of US$7.8 million was driven by:

- Deferred tax benefit of US$6.2 million recognised in H1 2026 (H1 2025: charge of US$2.2 million). The deferred tax benefit resulted from net impact of the narrowing difference between tax and IFRS bases of PP&E. This was due to: a) higher depreciation under IFRS; and b) strengthening of Kazakh Tenge the US dollar (creates temporary differences as the tax base is denominated in Tenge).
- Increase in current income tax expense from US$2.4 million in H1 2025 to US$3.0 million in H1 2026. This was a result of increased taxable income base due to higher revenues.

Liquidity and capital resources

During H1 2026, Nostrum funded its ongoing activities from the cash generated from operations. As the Group continues implementing its strategy which is based on diversification of both upstream and midstream business, Nostrum evaluates the right risk/reward for each of the opportunities, before making decisions on capital allocation and requirements for external financing. Further details on the short-term and medium-term liquidity analysis are described in the Going Concern statement.

Cash Flows

The following table sets forth the summary of the Group's consolidated cash flow statement data:

	H1 2026			H1 2025		
	Before one-off items	One-off items	TOTAL	Before one-off items	One-off items	TOTAL
Net cash from / (used in) operating activities	22,632	–	**22,632**	6,213	(16,369)	**(10,029)**
Net cash from / (used in) investing activities	2,621	13,775	**16,396**	(1,822)	(3,242)	**(5,064)**
Net cash from / (used in) financing activities	(9,375)	(18,609)	**(27,984)**	(143)	1,063	**793**
Effects of exchange rate changes on cash	78	–	**78**	(186)	–	**(186)**
Net cashflows for the period	**15,956**	**(4,834)**	**11,122**	**4,062**	**(18,548)**	**(14,486)**
Cash and cash equivalents at the beginning of the period[1]			**143,288**			**150,419**
Cash and cash equivalents at the end of the period[1]			**154,410**			**135,933**

[1] *Unrestricted cash balance (excludes DSRA and liquidation account funds).*

Net cash flows from operating activities before one-off items

Increase in the net cash from operating activities before one-off items was a result of higher product prices, improved crude oil export ratio, and an operational growth as well as improved working capital movements, i.e. US$1.5 million net increase in H1 2026 compared to US13.8 million net increase in H1 2025, which included:

- US$1.6 million improvement in inventories change (US$0.3 million increase in H1 2026 vs US$1.9 million increase in H1 2025);
- US$3.8 million improvement in trade receivables change (US$5.8 million increase in H1 2026 vs US$9.6 million increase in H1 2025);
- US$8.5 million improvement in prepayments and other current assets change (US$6.3 million reduction in H1 2026 vs US$2.1 million increase in H1 2025);
- US$1.3 million improvement in trade payables change (US$0.3 million decrease in H1 2026 vs US$1.0 million increase in H1 2025);

Net cash from investing activities before one-off items

Net cash used in investing activities before one-off items mainly reflects:

- US$2.7 million (2025: US$1.9 million) interest received from money market funds; less
- US$0.1 million (2025: US$3.5 million) expenditure on various capital repairs and facility upgrades.

Net cash used in financing activities before one-off items

Net cash used in financing activities before one-off items in H1 2026 mainly reflects US$8.5 million coupon paid on the SSNs and SUNs (H1 2025: nil).

One-off items in H1 2026

- Investing activities - US$15.6 million transfer from DSRA (following the 6 October 2025 consent solicitation, the DSRA requirement has been removed), less US$1.8 million payments for the expenditures on the Stepnoy Leopard fields.
- Financing activities – US$16.6 million payment for the delayed H1 2025 and H2 2025 coupons on SSNs and SUNs (described in the "Material Events" section above). Furthermore, a US$2.0 million consent fee was paid in connection with this delay.

One-off items in H1 2025

- Operating activities - US$15.5 million payments under the management incentive plan (MIP) including associated social security payments.
- Investing activities - drilling programmes, with US$0.5 million spent on the Chinarevskoye field and US$2.7 million spent on the Stepnoy Leopard fields.
- Financing activities - the US$1.1 million coupon refunded following the cancellation of SSNs and SUNs, as described above.

Capital commitments

As at 30 June 2026, the Group had contractual capital commitments in the amount of US$2.4 million (31 December 2025: US$2.3 million), mainly in respect to the Group's oil field development activities.

Dividend policy

The Group has not paid dividends since 2015, as the Board determined it was not in the Company's best interests to do so. This will be reviewed annually by the Board.

Financial review (continued)

Alternative performance measures

In the discussion of the Group's reported operating results, alternative performance measures (APMs) are presented to provide readers with additional financial information that is regularly reviewed by management to assess the financial performance or financial health of the Group or is useful to investors and stakeholders to assess the Group's performance and position.

However, this additional information presented is not uniformly defined by all companies including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Certain information presented is derived from amounts calculated in accordance with IFRS but is not itself an expressly permitted IFRS measure. Such measures should not be viewed in isolation or as an alternative to the equivalent IFRS measure.

EBITDA

EBITDA is a non-IFRS measure and is defined as profit / (loss) before tax and depreciation, depletion and amortisation, share-based compensation, foreign exchange gains / losses, finance costs, interest income, other income, other expenses, and one-off items. This metric is relevant as it allows management to assess the operating performance of the Group in the absence of exceptional and non-cash items.

The comparative information for H1 2025 was updated to align with current period presentation.

EBITDA reconciliation

	For the six months ended 30 June	
In thousands of US Dollars	2026	2025
EBITDA Reconciliation		
Loss before income tax	(74,811)	(62,144)
Add back:		
Finance costs	86,387	67,075
Impairment charge	4,853	–
Foreign exchange loss / (gain), net	(516)	39
Interest income	(2,757)	(2,333)
Other income	(3,233)	(16,792)
Other expenses	5,442	21,481
Depreciation, depletion and amortisation	12,230	16,279
Depreciation and amortisation	86	184
EBITDA	27,681	23,789
EBITDA margin	**38.1%**	**37.1%**

Related parties and related party transactions

The following is a description of the material transactions with related parties to which the Company or its subsidiaries are a party. The Company believes that it has executed all transactions with related parties on terms no less favourable to the Group than those it could have obtained from unaffiliated third parties.

Remuneration of the directors and key management personnel amounted to US$4,062 thousand in H1 2026 (H1 2025: US$15,011 thousand, including payments under the Management Incentive Plan (the "MIP") of US$12,110 thousand). The H1 2026 increase in the remuneration excluding MIP payments was driven by one-off differences such as changes in the management, severance payments and indexation of salaries in Kazakhstan in accordance with the terms of the Collective Bargaining Agreement.

Principal risks and uncertainties

Principal risks and uncertainties are reviewed by the Audit Committee and the Board of Nostrum on a regular basis and where appropriate, actions are taken to mitigate the key risks that are identified. The main categories and definitions of the principal risks and uncertainties remain mostly unchanged from those disclosed in the Group's 2025 Annual Report. However, certain assessments and related management responses have been revised taking into account material events, which occurred during the period as disclosed in the "Material events" section on pages 5-7.

The Group believes that its principal risks and uncertainties for the remaining six months are:

Strategic risks

Geopolitical factors

The Group's operations are exposed to risks associated with the political and business environment in Kazakhstan, being the Group's sole country of commercial operations, as well as its neighbouring jurisdictions relevant to its logistics, trading and regulatory environment.
Nostrum has historically benefited from its geo-strategic position in the heart of an export corridor between Russia and markets to the west of the Caspian, however, the Group remains exposed to the risks of the ongoing economic and political impact on Russia of its actions in Ukraine, being reliant on its transport routes and ports.
Ongoing severe sanctions and trade restrictions imposed by, among others, the US, UK and EU on Russia, have increased the economic and political uncertainty and may have a material adverse impact on the Group's business, results of operations, financial condition and prospects.
Global energy markets continue to operate within a complex geopolitical environment. Ongoing geopolitical tensions, including the continued conflict between Russia and Ukraine and periodic conflicts in the Middle East, contribute to increased volatility in energy markets and heightened uncertainty over global supply flows.

Risk management: Nostrum's Senior Management Team is pro-actively engaged with key stakeholders among state authorities to address and resolve any potential issues at early stages. In addition, the Group endeavours to identify legislative changes at early stages before their introduction and to the extent possible participate in the relevant working groups engaged in development of such changes.
To mitigate geopolitical, regional and customer risks, the Group continues to strengthen customer relationships through establishing long-term off-take agreements whilst also looking at possibilities to geographically diversify its customer portfolio.

The Group has implemented robust internal controls and procedures to ensure compliance with international sanctions on individuals, organisations and supplies of goods and services, including the evaluation of counterparties and their banks, contract procedures, and liaising with external legal advisers. The Group regularly updates lists of all persons/entities and products sanctioned in order to ensure Nostrum does not enter into transactions which violate applicable sanctions.

Product price volatilities

The Group's operations and financial performance are exposed to changes in the market prices for its products driven by external business and political factors, which are outside the Group's control.

Oil and gas prices are subject to volatility due to a variety of factors beyond the Group's control. Factors affecting crude oil prices include supply and demand fundamentals, global geopolitical events, production quotas set by OPEC and non-OPEC producers.

Because the domestic selling price of dry gas is directly linked to crude oil pricing, the Group may also face volatility in realised gas prices. Also, the Group could be required by governmental authorities to sell its oil, condensate, LPG and gas domestically at prices determined by the RoK Government, which could be significantly lower than prices the Group might otherwise achieve.

Lower oil and gas prices may reduce the economic viability of the Group's operations and proposed operations and materially adversely affect its business, results of operations, financial condition and prospects. In particular, the Group's ability to produce economically from the Chinarevskoye Field or any prospective fields will be determined, in large part, by the difference between the revenue received for its products and the operating costs, taxation costs, royalties and costs incurred in transporting and selling those products.

Risk management: The Group quarterly revisits the product price assumptions used in its short-term, medium-term and long-term financial models, and performs stress testing of such forecasts to fluctuations in product prices and these are monitored by senior management and the Board.

The Group continues to take prudent actions to protect liquidity, including identifying reductions in operating costs, general and administrative, and selling and transportation costs that could be implemented without having a negative impact on production or operations in the going concern period.

Senior management constantly monitors the Group's exposure to foreign currency exchange rate changes and makes plans for necessary measures. In addition, the Group maintains its relationships with multiple financial institutions should it need to implement commodity price hedging contracts. No such contracts were entered into in H1 2026.

Filling the spare gas processing capacity

The Chinarevskoye field is a mature declining asset with a proved and probable reserves base at a level that will produce volumes of hydrocarbons including raw gas sufficient to utilise less than 15 percent of capacity available at the Group's gas treatment facilities, which have a combined 4.2 billion cubic meters capacity per annum.

The Group is therefore reliant on acquiring and developing nearby assets with significant resource potential and/or processing third party gas through its processing facilities to continue to produce free cash flows and build sufficient cash reserves to repay future indebtedness. The ability to negotiate and secure these strategic acquisitions is highly uncertain and the ability to fund the development of such projects, the costs of which may be substantial and require external funding, may not materialise.

Oil and gas exploration and production activities are capital intensive and subject to financing limitations and inherent uncertainty in their outcome. Further, significant expenditure is required to establish the extent of oil and gas reserves through seismic re-processing and mapping, other surveys as well as drilling.

Therefore, there can be no certainty that further commercial quantities of oil and gas will be discovered at Chinarevskoye or acquired by the Group to enable it to utilise the spare capacity in its treatment facilities.

Risk management: The Group's strategy is aimed at diversification of its sources of feedstock to the processing facilities, which is expected to provide the Group with an opportunity to gain from expanding the use of available capacities, technological resources and human capital, and ultimately benefit from its underutilised infrastructure.

The GTU-3 plant was upgraded and prepared to receive future gas supplies. Throughout H1 2026, GTU 1-2-3 gas processing facilities operated simultaneously, processing inlet gas from the Chinarevskoe field and Ural O&G gas from the Rozhkovskoe field. Use of GTU-3's deep gas treatment process (utilising a Turbo Expander), LPG recovery was improved by more than 20%. The flexibility to switch operations between GTU 1-2-3 units improved the overall uptime of the processing facility.

In March 2025 the agreement for the processing hydrocarbons from Ural O&G was extended on new terms until May 2031.

Also, the Group has several additional area-wide opportunities under review that may serve to strengthen the Group's upstream and midstream portfolio in the coming years.

Operational risks

Oil and gas reserves and production

Reserve and resource estimates are inherently uncertain and depend on a number of assumptions, including reservoir performance, interpretation of geological and geophysical data, recovery rates, future commodity prices, operating and development costs and the commercial viability of production. These assumptions may differ materially from actual outcomes, resulting in revisions to reserves, production forecasts and expected cash flows. The Group has previously experienced significant reclassifications of reserves, including the transfer of volumes from 2P reserves to contingent resources in 2020–2021 (Chinarevskoye reservoir), reflecting the crystallisation of such uncertainties. There is a risk that further revisions may occur in the future. Appraisal, development and production activities involve operational and subsurface uncertainties and may not deliver the expected outcomes, particularly in mature fields. The natural decline of the Chinarevskoye reservoir, combined with increasing water cut, further contributes to variability in future production levels. Similar uncertainty also applies to the Stepnoy Leopard fields. Although an independent third-party reserves evaluation has previously been obtained, reserve estimates may change as additional drilling results, testing data and technical analysis become available. These factors may adversely affect the Group's production profile, financial performance, reserves base and ability to achieve its strategic objectives.

Risk management: The Group has a department of geologists and reservoir engineers who perform periodic assessments of its oil and gas reserves in accordance with international standards on reserve estimations and prepare production forecasting using advanced exploration risk and resource assessment systems.

For drilling and well workover activities, the Group engages and oversees skilled personnel and leading service suppliers, as well as employing international standards to operations and cost monitoring systems. The Group continued its well workover and intervention programme in H1 2026. Additionally, the Group continues its rigless operations for well maintenance and flow assurance purposes to minimising production decline.

Maintenance of wells and surface facilities is scheduled in advance, in accordance with technical requirements, and all necessary preparations are performed in a timely manner ensuring a high quality of work. In addition, the Group has emergency response and disaster recovery plans in place and periodically conducts necessary training and testing procedures.

Cybersecurity risks

The Group may be vulnerable to the unauthorised or inappropriate access to data, or the unlawful use, disclosure, disruption, deletion, corruption, modification, inspection, recording, or devaluation of information. Such cybersecurity failures may significantly adversely affect the Group's operations and financial results through disruptions, shutdowns and delays in production and other activities.

Risk management: The Group uses Microsoft security solutions and related monitoring tools to protect its data and systems, monitor security and compliance, and identify areas where controls may be enhanced. At the start of employment each new employee is briefed on the Group's Information Security Policy and signs a confidentiality agreement. All mailboxes and data are placed on Microsoft servers with appropriate levels of protection. Passwords have complexity requirement, and double authorisation has been introduced for most users. All data traffic, servers and computers are subject to scanning and protection by anti-virus software. Physical access to data storage is restricted to authorised personnel.

Environmental, Social and Governance risks

Risks of incidents, including risk of explosion

The Group's activities involve a range of risks and hazards typical of the oil and gas industry. These include, among other things, the possibility of encountering unexpected geological formations or abnormal reservoir pressures, fires or explosions, interruptions in power supply, equipment malfunctions or operational accidents, early depletion of reservoirs, premature declines in reservoirs, well blowouts, uncontrolled releases of oil, gas or well fluids, increasing water cut, environmental contamination and other related environmental risks.

If such hazards are not effectively prevented or properly controlled, they may result in a variety of consequences, including injuries to employees or nearby communities, partial or complete suspension of operations, significant damage to facilities and equipment, as well as the suspension or revocation of licences and the imposition of regulatory sanctions. Any of these events could have a material adverse impact on the Group's operations, financial performance, overall financial position and future development.

It should also be noted that the legal framework governing operational and industrial safety in Kazakhstan is still evolving. In addition, due to ongoing changes in environmental legislation, there remains a risk that the Group may not always be able to maintain full compliance with all applicable regulatory requirements. At the same time, the Group continuously monitors changes in applicable legislation and regulatory requirements in order to ensure that its activities remain aligned with current safety and environmental standards.

Risk management: The Group's QHSE policies are regularly reviewed and updated to ensure alignment with evolving legal requirements and industry standards. Employees receive periodic training on these policies and applicable regulations to maintain a high level of awareness and compliance.

Operations are conducted in accordance with five core QHSE pillars: HSE leadership, comprehensive incident investigation, identification and maintenance of safety-critical elements, effective contractor HSE management, and environmental and climate change management. QHSE performance is monitored through regular reporting across the organisation.

Employees and contractors are encouraged to report unsafe situations or conditions through established internal mechanisms, supporting early identification of potential risks. All incidents are investigated to determine root causes, with corrective actions subsequently defined and implemented.

Equipment is classified as critical or non-critical, with safety-critical elements designed to maintain safe operating conditions and prevent failures, including automatic shut-in devices that isolate wells and prevent uncontrolled releases.

Contractor HSE performance is managed through defined requirements, monitoring, audits and regular reporting, with results considered in contractor evaluation and selection.

The Group implements an annual programme of planned maintenance in accordance with regulatory requirements and internal standards. This includes periodic inspection, testing and maintenance of key equipment, pipelines and facilities to ensure their integrity and safe operation. In addition, regular technical inspections and risk-based assessments are performed to identify potential equipment degradation at an early stage and to prioritise maintenance and remediation activities.

Governance risks

Nostrum adheres to UK corporate governance and reporting requirements. Governance risk factors are usually related to board composition and structure, executive remuneration, internal controls and risk management framework, corporate policies and procedures, risks of corruption and bribery, and others.

Lack of adequate controls and policies, or a failure of those to operate effectively, could lead to loss of company resources, non-compliance with regulations, and corresponding fines, penalties, and reputational damage.

Risk management: The Group has established a governance framework covering its principal activities through the Board, its committees and functional teams under senior management.

The corporate governance framework is supported by an extensive range of policies and procedures covering numerous areas including delegation of authority, inside information disclosure, related party transactions, anticorruption and bribery, anti-facilitation of tax evasion and whistle-

Principal risks and uncertainties (continued)

blowing, and various other policies and practices related to social and environmental matters described across other sections of the report.

Such policies and procedures are designed and implemented to ensure that all required compliance obligations are met.

Environmental risks

i) Emissions, effluents, and waste management risks

The Group's operations are subject to environmental risks inherent in oil and gas exploration and production industries. Examples of environmental risks include risks stemming from more intense extreme weather events, rising energy intensity in the oil and gas industry, the changing regulatory landscape, the risk of fugitive emissions and climate change policies driving down demand.

Compliance with environmental regulations may make it necessary for the Group, at substantial cost, to undertake measures in connection with the storage, handling, transportation, treatment or disposal of hazardous materials and waste and the remediation of contamination.

In addition, the legal framework for environmental protection and operational safety is not yet fully developed in Kazakhstan. Stricter environmental requirements may be adopted in the near future, and the environmental authorities may move towards a stricter interpretation of existing legislation. The costs associated with compliance with such regulations could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Risk management: Nostrum actively manages emissions, effluents, and waste-related risks through related policies, targeted initiatives, and established governance framework.

Oversight is provided by the CEO through the HSE and ESG committees, with regular reporting to the Board. GHG emissions management is one of the KPIs, with efforts focused on improving energy efficiency, minimising flaring and leaks, and monitoring emissions.

The company reports Scope 1, 2, and disaggregated Scope 3 emissions for transparency. Key initiatives include energy efficiency improvements, waste management, GHG emissions, renewable energy integration, methane mitigation, and an oil spill response plan.

The Sulphur recovery unit reduces harmful emissions turning waste into a saleable by-product. Environmental management is further strengthened by emergency response plans, an energy policy, and strict permit compliance. Nostrum annually reports to the CDP Climate Questionnaire and earned a score of "B" in December 2025, demonstrating its commitment to environmental responsibility.

ii) Water source management risks

As an oil and gas exploration and production company, the Group requires significant water use, with activities like hydraulic fracturing and enhanced hydrocarbon recovery permanently removing water from the cycle. Growing water scarcity, climate change, and competing demands increase risks, potentially leading to business disruptions, regulatory restrictions, and higher costs. Companies must adopt best practices such as water recycling, alternative sourcing, and treatment technologies to enhance sustainability, compliance, and resilience**.**

Risk management: Nostrum takes a proactive approach to managing water-related risks, ensuring sustainable water use and compliance with regulations through a structured environmental and water stewardship framework. The company has a well-established Health Safety and Environment Policy that emphasises stakeholder engagement, raising environmental awareness, and continuous improvement through an Environmental Management System.

Water management is a key focus, with a dedicated Water Management Policy in place. Effluent management is regularly monitored, with initiatives aimed at reducing, reusing, and recycling wastewater. Any incidents are thoroughly investigated, and corrective measures are implemented as needed.

Responsibility for managing water-related risks is assigned at both the senior management and executive levels, reinforcing the company's commitment to responsible water management and ensuring that risk assessment outcomes are integrated into business strategy. The company recognises the physical, regulatory, and reputational risks linked to water use and takes them into account when making strategic decisions.

Nostrum also participates in the annual CDP Water questionnaire and received a B score in February 2025, reflecting strong environmental management. Key initiatives include assessing the quality of injection water, improving water treatment processes, and maintaining Emergency Response Plans to mitigate potential risks.

iii) Climate-related risks

Nostrum faces climate-related transition and physical risks, including regulatory, technological, market, and reputational challenges. Stricter emissions regulation, carbon pricing, and evolving policies may increase costs and compliance burdens, impacting competitiveness and financing. Technological shifts require high investment, with risks of stranded assets, while reputational pressures could affect stakeholder trust. Kazakhstan's carbon market seeks to systematically transition businesses to low-carbon technologies by gradually reducing free GHG emission quotas and advancing the emissions trading system. Kazakhstan aims to achieve carbon neutrality by 2060 and acknowledges the importance of transitioning from fossil fuels to alternative fuels and energy sources.

However, significant uncertainty remains regarding the rate of quota reductions, carbon pricing, and other regulatory mechanisms, making it challenging to establish reliable assumptions for project planning and investment decisions.

Additionally, acute and chronic physical risks such as floods, extreme temperatures, and severe weather may disrupt operations, damage infrastructure, and raise costs. Failure to adapt could lead to financial penalties, operational constraints, and reduced long-term viability.

Risk management: Nostrum manages climate risks through strategic planning, compliance, and operational resilience. To address physical risks, the Group integrates climate considerations into risk assessments and strengthens emergency response measures. For policy and legal risks, it ensures compliance through regular monitoring and legal oversight. To mitigate market risks, Nostrum diversifies into gas processing and optimises operations for efficiency. For technology risks, it invests in digitalisation, automation, and emission management. To manage reputational risks, the Group maintains transparent climate disclosures and engages with stakeholders to align with regulatory and social expectations.

For a more detailed description of the climate-related risks and the company's strategy in this regard, please see the section of the 2025 Annual Report on Climate related Financial Disclosures.

iv) Land use and biodiversity impact risks

Nostrum's operations have the potential to impact biodiversity land use and infrastructure development, as it is typical for the oil and gas industry. However, the physical footprint of operations remains relatively limited, with well sites and associated infrastructure dispersed over large areas.

As a result, much of the surrounding land remains largely undisturbed, and restricted access to operational areas may contribute to the preservation of local ecosystems and wildlife habitats. Nevertheless, there remains a risk that operational activities, including infrastructure development and handling of materials, could affect biodiversity if not appropriately managed, potentially leading to regulatory, reputational, or financial implications.

Risk management: Nostrum maintains a framework of environmental and HSE-related policies that set general principles for responsible land use and environmental protection. Biodiversity considerations are addressed as part of broader environmental and operational practices. Given the relatively low density of infrastructure and limited access to operational areas, the overall disturbance to surrounding ecosystems is currently considered to be localised. In some areas, restricted access may contribute to the preservation of natural habitats. The Company continues to monitor environmental aspects of its operations and remains committed to complying with applicable environmental regulations and standards. Where relevant, site restoration and rehabilitation activities are undertaken following operational use.

Compliance risks

Subsoil use agreements

As the Group performs exploration, development and production activities in accordance with related licences for the oil and gas fields, there are related risks that the Group might not be able to obtain extensions or agree amendments to the field development plan, when necessary, risks of non-compliance with the licence requirements owing to ambiguities, risks of alteration of the licence terms by the authorities and others. These risks may result in the Group's inability to fulfil scheduled activities; fines, penalties, suspension or termination of licences by authorities; and, respectively, significant and adverse impact on the Group's business, financial performance and prospects.

Risk management: The Group has procedures and processes in place for the timely application for extension of licence periods or for amendments to field development plans, when it is considered appropriate. However, uncertainty remains in relation to timing and results of decisions of authorities. The Group maintains an open dialogue with RoK governmental authorities regarding its subsoil use agreement.

The Group is in material compliance with such agreements but in the event of non-compliance with an obligation under such agreements, the Group endeavours to have such terms modified or pays any penalties and fines that may apply.

Compliance with laws and regulations

The Group carries out its activities in a number of jurisdictions and, therefore, must comply with a range of laws and regulations, which exposes the Group to the respective risks of non-compliance. In addition, the Group must comply with the Listing Rules, the Disclosure Guidance and Transparency Rules, FRC guidance and requirements, as well as requirements in connection with its restructured debt, in light of its publicly traded shares and notes.

Hence, there are non-compliance risks, including reputational, litigation and government sanction risks, to which the Group is exposed.

The impact of these risks may vary in magnitude and include regulatory actions, fines and penalties by authorities, diversion of management time, and may have an overall adverse effect on the Group's performance and activities towards achieving its strategic objectives.

Risk management: For the purpose of effective corporate governance and compliance with laws, regulations and rules, the Group has adopted a number of policies and procedures, as mentioned above. The Group also performs periodic updates based on the changes in regulatory requirements and carries out related communications and training for employees.

Necessary communication lines are established with authorities to ensure timely and adequate inbound and outbound flow of information. Management and the Board monitor significant matters related to legal and compliance matters in order to act promptly in response to any actions. In addition, management maintains an open dialogue with its sponsors in relation to any matter related to non-compliance with Listing Rules and other regulatory requirements.

Compliance with the Notes covenants

The Group faces the risk of non-compliance with its Notes covenants, which could arise from fluctuations in financial performance, liquidity pressures, adverse market conditions or third-party payment processing issues. Failure to meet covenant requirements may lead to consequences such as increased borrowing costs, restrictions on operations, or potential acceleration of debt repayment obligations.

Risk management: The Group addresses compliance with its Notes covenants through financial planning, monitoring, and forecasting processes. Assessments of covenants compliance are performed by the Company and its legal advisors and reviewed by senior management and the Board to ensure early identification of potential breaches.

Contingency plans, including maintaining sufficient liquidity buffers and operational adjustments, are in place to mitigate the impact of potential covenant breaches. The Group also adheres to robust internal controls and governance practices to ensure accurate and timely financial reporting, facilitating effective covenant compliance and safeguarding the Group's financial stability.

Financial risks

Liquidity risks

Maintaining an adequate liquidity position depends on forecasting based on assumptions and information that may prove inaccurate, as well as on counterparties meeting their contractual obligations.

Moreover, the Group's current and planned expenditures are subject to unexpected problems, costs and delays, and the economic results and actual costs may differ significantly from the Group's current estimates. Prices for the materials and services the Group depends on to conduct and expand its business may increase to levels that no longer enable the Group to operate profitably.

All the above factors in combination with a significant negative movement in world energy prices could result in the Group's liquidity position becoming more strained than the severe but plausible downside scenario in the Going Concern assessment.

Risk management: Management and the Board constantly monitor the Group's actual and forecast liquidity position to ensure that sufficient funds are available to meet any commitments as they arise.

In addition, management and the Board assess key financial ratios, sensitivity tests of its liquidity position for changes in crude oil price, production volumes and timing of completion of various ongoing projects, to understand the resilience of the business and to be prepared for taking necessary remedies.

Further efforts are made on cost optimisation to reduce capital expenditures, operating costs and general and administration costs.

Refinancing risks

The Group's Notes original maturity was on 30 June 2026, but following the implementation of the Revised Transaction as described on page 5, the enforcement on the Notes principal payments was deferred to 1 January 2031, unless certain events of default occur or more than 50% of the SSN holders instruct otherwise. Even though, such long-term standstill provides stable platform for the realisation of long-term value, there is a risk that the Group will require partial or full refinancing of SSNs and repay SUNs in specie through the issuance of new shares (further diluting the existing ordinary shareholders at the time) or have their maturity extended through another refinancing or restructuring exercise.

Risk management: The Group is proactively managing the capital structure and funding profile. This includes ongoing monitoring of debt markets, maintaining constructive dialogue with noteholders and other financing partner, and assessing a range of strategic options to optimise the balance between leverage, liquidity and shareholder value.

Principal risks and uncertainties (continued)

Tax risks and uncertainties

Uncertainty in the application, including retroactive application, of tax laws, together with the evolution of tax laws in Kazakhstan, creates risks relating to additional tax liabilities and the recoverability of tax assets.

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. 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.

The Group is currently involved in ongoing discussions and disputes with the tax authorities regarding certain tax positions, including the application of withholding tax rules and treaty benefits. Differences in interpretation may result in material financial exposures if resolved unfavourably.

Tax risks and uncertainties may adversely affect the Group's profitability, liquidity and planned growth.

Risk management: The Group has policies and procedures related to various tax assessments and positions, as well as other control activities to ensure the timely assessment and filing of tax returns, payment of tax obligations and recovery of tax assets.

The Group regularly challenges, either with the RoK tax authorities or through the RoK courts, tax assessments that it believes are inapplicable to it, pursuant to the terms of either its subsoil use agreements or applicable law.

Other risks

Other significant risks, including emerging risks

Other risks are those that are not specifically identified within any of the principal risks and uncertainties but may be related to several such areas or be organisation wide. These include risks related to:

- Fraudulent activities;
- The Group's supply chains;
- Accounting and reporting management systems; or
- The availability of human resources.

They may also significantly impact the Group's financial performance, reputation and achievement of its strategic objectives.

Risk management: The Group has an Anti-Bribery and Corruption Policy, and provisions relating to the same are included in the Group's Code of Conduct. Related training and updates are periodically provided for employees in relation to their obligations in this area.

The Group has a wide range of internal controls over its supply chains and accounting and reporting processes, including policies, procedures, segregation of duties for authorisation of matters, periodic training for employees. The Contracts Board was established to meet weekly to review and approve the placement of contracts or expenditures.

Senior management and the Board stay alert to emerging challenges related to various management systems and related governance matters and, when necessary, initiate change initiatives to ensure enhancement and integration of certain management systems.

The risks listed above do not comprise all those associated with the Group's business and are not set out in any order of priority. Additional risks and uncertainties not presently known to management, or currently deemed to be less material, may also have an adverse effect on the Group's business. The risks listed above are continuously monitored by the management team and assessed when making business decisions.

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 re-forecasts 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 assumptions.

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 opportunities. These actions include, amongst other things, the ongoing base case scenario efforts to further optimise capital expenditures, operating expenses and general and administration expenses, 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 covering the going concern period to 30 September 2027. As at 30 June 2026, the Group had unrestricted cash balances of US$154.4 million (including liquid current investments of US$149.3 million). The Base Case reflects production forecasts consistent with the Board approved plans, assumes a Brent oil price of US$75/bbl for the rest of 2026 and onwards, includes minimum license commitment expenditures for the Chinarevskoye and Stepnoy Leopard Fields, and changes coming into effect from the Revised Transaction described in the "Material Events" section above. Under this Base Case, the Group forecasts to have a closing cash balance of more than US$110 million as of 30 September 2027.

The Base Case has been tested for sensitivity against the key assumptions, including a US$15/bbl reduction in Brent oil prices, a 10% reduction in forecast Chinarevskoye production and third-party Ural Oil & Gas processing volumes, a 10% increase in operating and G&A expenses, additional contingent capital expenditure, and possible tax and other audit fines and penalties. Based on this analysis, the Directors concluded that the Group would be able to withstand downside movements in these assumptions individually, and in combination. In addition, a reverse stress testing was performed by modelling a combination of a US$20/bbl reduction in Brent oil prices along with all other downside sensitivities which would lead to the Company being at or near break-even at the end of the going concern assessment period, however such scenario is not considered plausible.

Directors have also considered the risks and uncertainties that tax legislation and practice in Kazakhstan can be subject to differing interpretations by tax authorities and courts, with an unfavourable outcome for the Group as further described in the "Material Events" section above and the Notes 25 and 27 to the interim condensed consolidated financial statements, included in this report. However, the Directors intend to continue to defend the Group's position in these matters through the available administrative, judicial and other legal processes, and have not included any impact of these matters in the future cash flow forecasts, but only assessed forecast cash balance sensitivities to certain scenarios.

After careful consideration, the Directors have concluded that it remains appropriate to prepare the interim condensed consolidated financial statements on a going concern basis. On that basis, the Directors have a reasonable expectation that the Group will have sufficient financial resources to continue in operation throughout the going concern period to 30 September 2027. The Directors have also considered events and conditions beyond that period and draw attention to the Viability Statement on pages 27-28 of Group's Annual Report for the year ended 31 December 2025.

In accordance with Provision 30 of the UK Corporate Governance Code 2024, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these interim condensed consolidated financial statements.

Responsibility statement

To the best of our knowledge

a) the interim condensed set of financial statements, which has been prepared in accordance with the International Accounting Standard 34, "Interim Financial Reporting", as adopted in the UK, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4 R;

b) the interim management report includes a fair review of the information required by DTR 4.2.7 R; and

c) the interim management report includes a fair review of the information required by DTR 4.2.8 R.

The interim management report and the interim condensed consolidated financial statements for the six months ended 30 June 2026 have not been audited nor reviewed by the Group's external auditor.

Signed on behalf of the Board:

Mr. Viktor Gladun

Chief Executive Officer

10 August 2026

Nostrum Oil & Gas PLC

Interim condensed consolidated financial statements (unaudited)

For the six months ended 30 June 2026 ("H1 2026")

Contents

Consolidated statement of financial position

In thousands of US Dollars	Notes	30 June 2026 (unaudited)	31 December 2025 (audited)
Assets			
Non-current assets			
Property, plant and equipment	4	**260,666**	274,954
Advances and other non-current assets	5	**2,612**	3,736
Restricted cash	9	**11,016**	26,621
		274,294	305,311
Current assets			
Inventories	6	**32,101**	31,846
Prepayments and other current assets	7	**6,238**	10,975
Income tax prepayment	23	**–**	109
Trade receivables	8	**16,064**	10,236
Cash and cash equivalents	9	**154,410**	143,288
		208,813	196,454
Assets held for sale	4	**1,231**	–
TOTAL ASSETS		**484,338**	501,765
Equity and liabilities			
Share capital and reserves	10		
Share capital		**2,099**	2,099
Treasury capital		**(166)**	(166)
Share premium		**792,797**	792,797
Retained deficit and reserves		**(1,172,473)**	(1,101,013)
Attributable to owners of Nostrum Oil & Gas PLC		**(377,743)**	(306,283)
Non-controlling interest		**(583)**	(473)
		(378,326)	(306,756)
Non-current liabilities			
Abandonment and site restoration provision		**27,911**	27,398
Amounts due to Government of Kazakhstan		**2,447**	2,719
Deferred tax liability	23	**39,464**	45,663
		69,822	75,780
Current liabilities			
Notes payable and accumulated interest	12	**761,895**	701,809
Principal		*761,895*	*672,803*
PIK coupon payable		–	*57,506*
Arrangement fees and fair value adjustments		–	*(45,318)*
Cash coupon payable		–	*16,818*
Trade payables	13	**10,083**	10,387
Advances received		**1,181**	718
Current tax payable		**1,306**	49
Current portion of amounts due to Government of Kazakhstan		**1,031**	1,031
Other current liabilities	14	**17,346**	18,747
		792,842	732,741
TOTAL EQUITY AND LIABILITIES		**484,338**	501,765

The interim condensed consolidated financial statements of Nostrum Oil & Gas PLC, registered number 8717287, were authorised for issue by the Board of Directors on 10 August 2026.

Signed on behalf of the Board:

Mr. Viktor Gladun

Chief Executive Officer

10 August 2026

The accounting policies and explanatory notes on pages 27 through 37 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 30 June 2026 (unaudited)	2025 (unaudited)	For the six months ended 30 June 2026 (unaudited)	2025 (unaudited)
Revenue					
Revenue from export sales		**24,743**	20,760	**43,755**	36,419
Revenue from domestic sales and tolling fees		**15,140**	13,331	**28,886**	27,683
	15	**39,883**	34,091	**72,641**	64,102
Cost of sales	16	**(18,645)**	(20,451)	**(37,410)**	(39,690)
Gross profit		**21,238**	13,640	**35,231**	24,412
General and administrative expenses	17	**(4,348)**	(3,502)	**(8,382)**	(7,082)
Selling and transportation expenses	18	**(2,361)**	(2,341)	**(4,120)**	(4,162)
Taxes other than income tax	19	**(4,242)**	(3,528)	**(7,364)**	(5,842)
Finance costs	20	**(43,504)**	(32,954)	**(86,387)**	(67,075)
Impairment charge	4	**(4,853)**	–	**(4,853)**	–
Foreign exchange (loss)/gain, net		**(321)**	(200)	**516**	(39)
Interest income		**1,422**	1,360	**2,757**	2,333
Other income	21	**1,691**	15,355	**3,233**	16,792
Other expenses	22	**(2,955)**	(18,568)	**(5,442)**	(21,481)
Loss before income tax		**(38,233)**	(30,738)	**(74,811)**	(62,144)
Current income tax expense		**(1,764)**	(856)	**(3,013)**	(2,392)
Deferred income tax benefit/(charge)		**3,245**	(8,656)	**6,199**	(2,195)
Income tax benefit/(expense)	23	**1,481**	(9,512)	**3,186**	(4,587)
Loss for the period		**(36,752)**	(40,250)	**(71,625)**	(66,731)
Currency translation difference		**80**	(10)	**55**	40
Other comprehensive income/(loss) for the period		**80**	(10)	**55**	40
Total comprehensive loss for the period		**(36,672)**	(40,260)	**(71,570)**	(66,691)
Loss for the period attributable to non-controlling interests				**(110)**	(393)
Loss for the period attributable to the shareholders				**(71,515)**	(66,338)
Weighted average number of shares (Note 11)				**164,950,135**	167,166,975
Basic and diluted loss per share (in US dollars)	11			**(0.43)**	(0.40)

** Certain amounts shown here do not correspond to the Q2-2025 interim condensed consolidated financial statements and reflect reclassifications made. For more details, please see Notes 18 and 22.*

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

The accounting policies and explanatory notes on pages 27 through 37 are an integral part of these interim condensed consolidated financial statements.

Consolidated statement of cash flows

In thousands of US Dollars	Notes	For the six months ended 30 June **2026 (unaudited)**	 2025 (unaudited)
Cash flows from operating activities:			
Loss before income tax		**(74,811)**	(62,144)
Adjustments for:			
Depreciation, depletion and amortisation	16, 17	**12,316**	16,463
Impairment charge	4	**4,853**	–
Finance costs	20	**86,387**	67,075
Income from cancellation of SSNs and SUNs	13	**–**	(13,716)
Interest income		**(2,757)**	(2,333)
Foreign exchange (gain)/loss on investing and financing activities		**(100)**	692
Loss on disposal of property, plant and equipment		**(1)**	40
Operating profit before working capital changes		**25,887**	6,077
Changes in working capital:			
Change in inventories		**(255)**	(1,916)
Change in trade receivables		**(5,828)**	(9,575)
Change in prepayments and other current assets		**6,334**	(2,144)
Change in trade payables		**(304)**	1,049
Change in advances received		**463**	(621)
Change in due to Government of Kazakhstan		**(516)**	(516)
Change in other current liabilities		**(1,502)**	(55)
Cash generated from / (used in) operations		**24,279**	(7,701)
Income tax paid		**(1,647)**	(2,328)
Net cash from / (used in) operating activities		**22,632**	(10,029)
Cash flows from investing activities:			
Interest received		**2,720**	1,919
Purchase of property, plant and equipment		**(1,932)**	(6,735)
Transfer from/(to) restricted cash		**15,608**	(248)
Net cash from / (used in) investing activities		**16,396**	(5,064)
Cash flows from financing activities:			
Finance costs paid*		**(27,148)**	–
Other finance costs		**(836)**	(270)
Return of unclaimed SSNs and SUNs coupons		**–**	1,063
Net cash (used in) / from financing activities		**(27,984)**	793
Effects of exchange rate changes on cash		**78**	(186)
Net increase / (decrease) in cash and cash equivalents		**11,122**	(14,486)
Cash and cash equivalents at the beginning of the period	9	**143,288**	150,419
Cash and cash equivalents at the end of the period	9	**154,410**	135,933

*Finance cost paid includes coupon payments of US$25,181 thousand and consent fees $US 1,967 thousand.

The accounting policies and explanatory notes on pages 27 through 37 are an integral part of these interim condensed consolidated financial statements.

Consolidated statement of changes in equity

	Attributable to owners of Nostrum Oil & Gas PLC						
In thousands of US Dollars	**Share capital**	**Treasury capital**	**Share premium**	**Other reserves (Note10)**	**Retained deficit**	**Non-controlling interest**	**Total**
As at 1 January 2025 (audited)	**2,152**	**(166)**	**792,744**	**280,443**	**(1,167,709)**	**55**	**(92,481)**
Loss for the period	–	–	–	–	(66,338)	(393)	(66,731)
Other comprehensive income	–	–	–	40	–	–	40
Total comprehensive loss for the period	**–**	**–**	**–**	**40**	**(66,338)**	**(393)**	**(66,691)**
As at 30 June 2025 (unaudited)	**2,152**	**(166)**	**792,744**	**280,483**	**(1,234,047)**	**(338)**	**(159,172)**
Loss for the period	–	–	–	–	(147,361)	(135)	(147,496)
Cancellation of shares	(53)	–	53	–	–	–	–
Other comprehensive loss	-	–	–	(88)	–	–	(88)
Total comprehensive loss for the period	**(53)**	**–**	**53**	**(88)**	**(147,361)**	**(135)**	**(147,584)**
As at 31 December 2025 (audited)	**2,099**	**(166)**	**792,797**	**280,395**	**(1,381,408)**	**(473)**	**(306,756)**
Loss for the period	–	–	–	–	(71,515)	(110)	(71,625)
Other comprehensive loss	–	–	–	55	–	–	55
Total comprehensive loss for the period	**–**	**–**	**–**	**55**	**(71,515)**	**(110)**	**(71,570)**
As at 30 June 2026 (unaudited)	**2,099**	**(166)**	**792,797**	**280,450**	**(1,452,923)**	**(583)**	**(378,326)**

The accounting policies and explanatory notes on pages 27 through 37 are an integral part of these interim condensed consolidated financial statements.

Notes to the interim condensed consolidated 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 Oil & Gas Holding Ltd.	20 Eastbourne Terrace, London, W2 6LA, United Kingdom	Ordinary shares	100
Nostrum Oil & Gas B.V.	Anna van Buerenplein 41, Unit 4.09A, 2595DA The Hague, The Netherlands	Ordinary shares	100
Nostrum Oil & Gas Finance B.V.	Anna van Buerenplein 41, Unit 4.09A, 2595DA The Hague, The Netherlands	Ordinary shares	100
Nostrum Oil & Gas Coöperatief U.A.	Anna van Buerenplein 41, Unit 4.09A, 2595DA The Hague, The Netherlands	Members' interests	100
Nostrum Services N.V.	Chaussee de Wavre 20, 1360 Perwez, Belgium	Ordinary shares	100
Zhaikmunai LLP	43/1 Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	100
Positiv Invest LLP	43/1 Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	80
Midstream Energy Company LLP	43B Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	100
Nostrum Services Central Asia LLP	Aksai 3a, 75/38, 050031 Almaty, Republic of Kazakhstan	Participatory interests	100
Nostrum Associated Investments LLP	43B Karev street, 090000 Uralsk, Republic of Kazakhstan	Participatory interests	100
Zhaikmunai Trading LLP	18 Turan Avenue, Nura District, 010000, Astana, Republic of Kazakhstan	Participatory interests	51

Nostrum Oil & Gas PLC and its subsidiaries are hereinafter referred to as "the Group".

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 26 May 2031.

Positiv Invest LLP holds the rights to the "Kamenskoe" and "Kamensko-Teplovsko-Tokarevskoe" areas in the West Kazakhstan region (the "Stepnoy Leopard Fields"), located approximately 80 km from Nostrum's existing gas treatment facilities, and has a subsurface contract valid until December 2044.

The Group's operations in Western Kazakhstan comprise of a single operating segment including all Group's assets related to its Chinarevskoye field, including surface facilities, operated by its oil and gas producing entity Zhaikmunai LLP and Stepnoy Leopard Fields operated by Positiv Invest LLP.

On 12 June 2025 Midstream Energy Company LLP was established in the Republic of Kazakhstan. The company is a wholly owned subsidiary of Nostrum Oil & Gas Finance B.V. and was created to support the Group's midstream operations. In October 2025, Midstream Energy Company LLP suspended its operations.

On 19 May 2026, Zhaikmunai Trading LLP was incorporated in the Republic of Kazakhstan. The company is 51% owned by Zhaikmunai LLP and 49% by Mega Oil Company LLP and was established to support the Group's oil processing and related midstream activities in Kazakhstan.

Royalty payments

Zhaikmunai LLP is required to make monthly royalty payments during the Contract 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 Republic of Kazakhstan of its "profit share" ("RoK 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.

Long-term standstill and changes to the Group's debt terms

In late 2025 and early 2026, one of the Group's strategic objectives was the restructuring of its Senior Secured Notes ("SSNs") and Senior Unsecured Notes ("SUNs"), both originally maturing on 30 June 2026 (SSNs and SUNs collectively referred to as the "Notes"), in order to support the Group's long-term liquidity and strategic objectives.

On 30 March 2026, the Group announced that it had reached an in-principle agreement with an ad hoc group of noteholders regarding the key commercial terms of the transaction (the "Original Proposed Transaction"). It included, among other matters, an extension of the maturity date of the Notes to 31 December 2030, revised interest terms for the Notes, an option to capitalise future interest payments subject to certain conditions, the provision of second-ranking security in favour of the SUN holders and a tender offer for up to US$30 million of the SSNs.

In June 2026, the Group became aware that in connection with the ongoing withholding tax disputes in Kazakhstan, certain restrictions were imposed on immovable assets securing the SSNs. The Applicable Kazakh Restrictions are principally intended to restrict the Group from disposing of immovable assets. Whilst the Applicable Kazakh Restrictions do not in themselves create any breach of the terms of the SSNs or SUNs and do not affect the ranking and priority of the security relating to the SSN Liabilities, they could have been interpreted (under the local tax code) to have interfered with some steps required to implement certain terms of the Original Proposed Transaction.

Following further discussions with the Ad Hoc Forum, an in-principle agreement was reached regarding certain amendments to the terms of the Original Proposed Transaction, that sought to implement a long-term standstill and replicated the effect of the Original Proposed Transaction that had been previously announced (the revised proposed transaction being, the "Revised Transaction").

The Revised Transaction was intended to provide the Group with a stable capital structure while the withholding tax disputes and the related restrictions remain unresolved. More specifically, the Revised Transaction contemplated the following:

- **Long-term Standstill.** Deferral of the enforcement on the Notes principal payments to 1 January 2031, unless certain events of default occur or more than 50% of the SSN holders instruct otherwise.
- **Default interest.** Effective from 30 June 2026 a decrease in the default interest on overdue SSN principal from 1.0% to 0.5% per annum; and a decrease in the default interest on overdue SUN principal from 1.0% to 0.0% per annum.
- **SUNs Coupon rate.** Effective from 30 June 2026 a decrease in the interest rate of the SUNs from 14.00% per annum to 2.00% per annum paid in cash.
- **Capitalisation of interest.** An option for the Company to elect to capitalise payments of interest on the Notes based on working capital needs, provided that such election cannot be made in respect of two consecutive interest periods.

Notes to the interim condensed consolidated financial statements (continued)

- **Tender for repurchase of SSNs.** An invitation to holders of the SSNs to tender their notes for repurchase in the form of a reverse Dutch auction, subject to a consideration cap of up to US$30 million with an expected acceptable price range of US$400 to US$600 per US$1,000 in principal amount.
- **Security**. SUNs shall receive the same security as the SSNs on a second ranking basis, within 60 days from the date that all applicable Kazakh Restrictions on immovable assets securing the SSNs cease to apply.
- **Warrants**. The existing warrants expire as at the date consent conditions (other than the consent condition relating to the tender offer) are satisfied.

On 20 July 2026, the relevant meetings were held, and the necessary approvals were obtained for the Revised Transaction. The consent conditions as defined in the consent solicitation have therefore been satisfied, other than the consent condition relating to the tender offer. Accordingly, the warrants expired on 20 July 2026 and were delisted from TISE on 28 July 2026.

On 24 July 2026, Nostrum announced an invitation to holders of the SSNs to tender their notes for repurchase in the form of a reverse Dutch auction. The tender offer is subject to a consideration cap of up to US$30 million with an acceptable price range of US$400 to US$650 per US$1,000 in principal amount. The tender offer will expire at 5:00 p.m. (New York City time) on 21 August 2026. The results of the tender offer will be announced as soon as reasonably practicable after the expiry of the tender offer, following which settlement will be made within 3 business days. No consent fee will be payable in respect of any SSNs repurchased pursuant to the tender offer.

Coupon payment delay

The Group was previously required to pay accrued interest on its SSNs and SUNs due on 30 June 2025 and 31 December 2025. These payments were delayed due to payment administration issues while the Group sought the necessary regulatory licence required to process payments involving certain sanctioned noteholders.

On 29 May 2026, the required regulatory licence was obtained. Accordingly, on 12 June 2026 the Group settled the outstanding cash interest relating to the SSNs and SUNs for the interest periods ended 30 June 2025 and 31 December 2025. In accordance with the terms of the SUNs, the related payment-in-kind (PIK) interest for these periods was capitalised by increasing the principal amount of the outstanding SUNs.

2. Basis of preparation and consolidation

Basis of preparation

These H1 2026 financial statements 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 2025 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 six months ended 30 June 2026 and 2025 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 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 were disclosed in Note 4 of the consolidated financial statements for the year ended 31 December 2025.

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.

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 re-forecasts 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 assumptions.

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 opportunities. These actions include, amongst other things, the ongoing base case scenario efforts to further optimize capital expenditures, operating expenses and general and administration expenses, 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 covering the going concern period to 30 September 2027. As at 30 June 2026, the Group had unrestricted cash balances of US$154.4 million (including liquid current investments of US$149.3 million). The Base Case reflects production forecasts consistent with the Board approved plans, assumes a Brent oil price of US$75/bbl for the rest of 2026 and onwards, includes minimum license commitment expenditures for the Chinarevskoye and Stepnoy Leopard Fields, and changes coming into effect from the Revised Transaction (please refer to Note 1). Under this Base Case, the Group forecasts to have a closing cash balance of more than US$110 million as of 30 September 2027.

The Base Case has been tested for sensitivity against the key assumptions, including a US$15/bbl reduction in Brent oil prices, a 10% reduction in forecast Chinarevskoye production and third-party Ural Oil & Gas processing volumes, a 10% increase in operating and G&A expenses, additional contingent capital expenditure, and possible tax and other audit fines and penalties. Based on this analysis, the Directors concluded that the Group would be able to withstand downside movements in these assumptions individually, and in combination. In addition, a reverse stress testing was performed by modelling a combination of a US$20/bbl reduction in Brent oil prices along with all other downside sensitivities which would lead to the Company being at or near break-even at the end of the going concern assessment period, however such scenario is not considered plausible.

Directors have also considered the risks and uncertainties that tax legislation and practice in Kazakhstan can be subject to differing interpretations by tax authorities and courts, with an unfavourable outcome for the Group as further described in the Notes 25 and 27 to the interim condensed consolidated financial statements. However, the Directors intend to continue to defend the Group's position in these matters through the available administrative, judicial and other legal processes, and have not included any impact of these matters in the Base Case future cash flow forecast, but only assessed forecast cash balance sensitivities to certain scenarios.

After careful consideration, the Directors have concluded that it remains appropriate to prepare the interim condensed consolidated financial statements on a going concern basis. On that basis, the Directors have a reasonable expectation that the Group will have sufficient financial resources to continue in operation throughout the going concern period to 30 September 2027. The Directors have also considered events and conditions beyond that period, and draw attention to the Viability Statement on pages 27-28 of Group's Annual Report for the year ended 31 December 2025.

In accordance with Provision 30 of the UK Corporate Governance Code 2024, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these interim condensed consolidated financial statements.

3. Changes in accounting policies and disclosures

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 2025, except for the adoption of new standards effective as of 1 January 2026. 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 2026, but do not have an impact on the interim condensed consolidated financial statements of the Group.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own-use' requirements;
- Permitting hedge accounting if these contracts are used as hedging instruments;
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026.

The amendments do not have a material impact on the Group's financial statements.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features;
- Clarifies the treatment of non-recourse assets and contractually linked instruments.
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The publication of the amendments concludes the classification and measurement phase of the IASB's post implementation review (PIR) of IFRS 9 Financial Instruments.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026.

The amendments do 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 H1 2026 the Group had additions of property, plant and equipment of US$ 4,113 thousand (H1 2025: US$ 8,052 thousand). These additions included: 1) US$1,384 thousand (H1 2025: US$5,487 thousand) expenditure related to the modernisation of production facilities and other capital works at Chinarevskoye field; 2) capitalised interest of US$ 663 thousand (H1 2025: US$1,412 thousand) on qualifying assets at Chinarevskoye field; and 3) US$2,066 thousand (H1 2025: US$1,153 thousand) expenditure on capital materials, engineering and technical services related to Stepnoy Leopard Fields. See Note 25 for capital commitments.

In June 2026, the management approved a plan to dispose of certain surplus capital project materials previously included in construction in progress within property, plant and equipment. As at 30 June 2026, these assets, with a carrying amount of US$6,084 thousand were re-classified from property, plant and equipment to assets held for sale. An impairment loss of US$4,853 thousand was recognised as of 30 June 2026 for the difference between the carrying amount of these assets and the expected fair value less costs to sell of US$1,231 thousand (based on the contract concluded for sale of these assets. The sale of these assets had not been completed as at the reporting date subject to an advance payment by the counterparty.

5. Advances and other non-current assets

Advances and other non-current assets comprised the following:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
VAT receivable	**2,390**	1,983
Advances for construction services	**160**	1,493
Advances for construction materials	**31**	173
Advances for other non-current assets	**31**	87
	2,612	3,736

6. Inventories

Inventories comprised the following:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Spare parts and other inventories	**28,384**	28,856
Gas condensate	**2,954**	2,167
Crude oil	**457**	527
LPG	**162**	130
Dry gas	**86**	72
Sulphur	**58**	94
	32,101	31,846

As at 30 June 2026 and 31 December 2025 inventories are carried at cost.

7. Prepayments and other current assets

As at 30 June 2026 and 31 December 2025 prepayments and other current assets comprised the following:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Advances paid	**1,777**	1,671
Other taxes receivable	**1,388**	2,334
VAT receivable	**1,318**	3,228
Other trade receivables	**562**	654
Interest receivable	**442**	405
Deposits with Euroclear Bank and consent fees transferred to Glas	**100**	2,067
Other	**651**	616
	6,238	**10,975**

Advances paid consist primarily of prepayments made to service providers. As at 30 June 2026 the impaired VAT receivable amounted to US$598 thousand (31 December 2025: US$578 thousand). There were no other movements in the provision for impairment of advances paid during the six months ended 30 June 2026 and 2025.

Interest receivable represents the accrued interest income on the money market funds (see Note 9 for more details).

8. Trade receivables

Trade receivables comprised the following:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Trade receivables from oil and gas condensate sales	**10,475**	5,222
Trade receivables from third-party hydrocarbon tolling	**2,902**	3,171
Trade receivables from gas and LPG sales	**2,687**	1,843
	16,064	10,236

Comparative information as of 31 December 2025 was updated to correct the presentation of the receivables for condensate tolling services. As a result, the amount of US$3,171 thousand was reclassified from "Trade receivables from gas and LPG sales "to "Trade receivables from third-party hydrocarbon tolling".

As at 30 June 2026 and 31 December 2025 trade receivables were not interest-bearing and were mainly denominated in US dollars and Tenge. Their average collection period was between 30 and 60 days.

As at 30 June 2026 and 31 December 2025 there were no 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 30 June 2026 and 31 December 2025.

9. Cash and cash equivalents

As at 30 June 2026 and 31 December 2025 cash and cash equivalents comprised the following:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Investments in Money Market Funds in US Dollars	**149,300**	136,000
Current accounts in Tenge	**3,066**	2,892
Current accounts in US Dollars	**1,921**	3,762
Current accounts in Euro	**110**	465
Current accounts in other currencies	**4**	162
Petty cash	**9**	7
	154,410	143,288

Money Market Funds included 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 are classified as cash equivalents as 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$9,587 thousand with Halyk bank and US$27 thousand with Jusan bank (31 December 2025: US$ 9,577 thousand with Halyk bank and US$21 thousand with Jusan bank), which are kept as required by the subsoil use contracts for abandonment and site restoration works.

In accordance with the consent solicitation completed on 6 October 2025, the requirement has been removed for the Debt service retention account (DSRA) under the terms of the SSNs and SUNs. Following the receipt of the of the applicable regulatory licence, Nostrum made interest payments related to H1 and H2 2025, of which US$15,608 thousand were funded out of DSRA, and remaining balance as at 30 June 2026 was US$1,402 thousand (31 December 2025: US$17,023 thousand).

10. Share capital and reserves

Share capital

As at 30 June 2026 the ordinary share capital of the Parent consists of 165,244,983 issued and fully paid ordinary shares, which are listed on the London Stock Exchange. The ordinary shares have a nominal value of GBP 0.01.
There were no movements in the number of shares during the six months ended 30 June 2026.

The movements in the number of shares were as follows:

Number of shares	In circulation	Treasury capital	Total
As at 1 January 2025	**169,086,713**	**294,848**	**169,381,561**
Cancellation of shares	(4,136,578)	–	(4,136,578)
As at 31 December 2025	**164,950,135**	**294,848**	**165,244,983**
As at 30 June 2026	**164,950,135**	**294,848**	**165,244,983**

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.

On 7 April 2025 the Company cancelled 4,136,578 ordinary shares in circulation, thereby reducing the number of issued ordinary shares from 169,381,561 to 165,244,983. The cancelled shares represented shares which were not claimed by former noteholders. The nominal value of each share remained unchanged at GBP 0.01.

Other reserves

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

In thousands of US Dollars	Reorganisation and resructuring reserve	Foreign currency translation reserves	Share-option reserves	Total
As at 1 January 2025	**274,239**	**2,443**	**3,761**	**280,443**
Currency translation difference	–	(48)	–	(48)
As at 31 December 2025	**274,239**	**2,395**	**3,761**	**280,395**
Currency translation difference	–	55	–	55
As at 30 June 2026	**274,239**	**2,450**	**3,761**	**280,450**

Reorganisation and restructuring reserve in the amount of US$274,239 thousand as at 1 January 2025 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.

There were no distributions made during the six months ended 30 June 2026 and the year ended 31 December 2025.

11. Earnings per ordinary share

As at 30 June 2026 the ordinary share capital of the Parent consists of 165,244,983 issued and fully paid ordinary shares, which are listed on the London Stock Exchange. The ordinary shares have a nominal value of GBP 0.01. Basic and diluted earnings/(loss) per share are calculated as follows:

	For the three months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Loss for the period attributable to the shareholders	**(71,515)**	(66,338)
Weighted average number of shares	**164,950,135**	167,166,975
Basic and diluted loss per share (in US dollars)	**(0.43)**	(0.40)

The weighted average number of ordinary shares is 164,950,135, 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 30 June 2026 and 31 December 2025:

In thousands of US Dollars	30 June 2026 (unaudited)	31 December 2025 (audited)
Principal	**244,372**	244,372
Adjustments for fair value and arrangement fees	–	(9,458)
Cash interest accrued	–	12,253
SSNs, subtotal	**244,372**	**247,167**
Principal	**517,523**	428,431
PIK coupon accrued	–	57,506
Adjustments for fair value and arrangement fees	–	(35,860)
Cash coupon accrued	–	4,565
SUNs, subtotal	**517,523**	**454,642**
Notes payable and accumulated coupon	**761,895**	**701,809**
Less amounts due within 12 months	(761,895)	(701,809)
Amounts due after 12 months	–	–

SSNs

Following the Restructuring of the 2017 and 2018 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.

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 had originally interest at a rate of 1.0% cash-pay and 13.0% payment-in-kind (PIK) per year, payable semi-annually. The interest rate was decreased to 2.0% cash-pay per year, payable semi-annually effective from 30 June 2026.

Exchange of debt instruments

The Group issued US$725 million in 2017 (the "2017 Notes) and US$400 million Notes in 2018 (the "2018 Notes"), which were used primarily to refinance the Group's earlier debt issued in 2012 and 2014.

As part of the Group's restructuring concluded in February 2023, the 2017 and 2018 Notes were exchanged for new instruments – SSNs and SUNs – with significantly different terms. In accordance with IFRS 9, the exchange was treated as a substantial modification, resulting in extinguishment of the 2017 and 2018 Notes and recognition of the SSNs and SUNs at fair value.

Such fair values have been determined by discounting future cash flows 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 a separate line item. These adjustments have been amortised over the life of the instruments and reflected as part of finance costs in the income statement.

Notes to the interim condensed consolidated financial statements (continued)

SSNs and SUNs covenants

The SSNs and SUNs contain 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;
- Cash flow Arrangements.

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

Cancellation of unclaimed SSNs and SUNs

In the second quarter of 2025, approximately 2.25% of the principal amount of the SSNs and approximately 2.20% of the total principal amount of the SUNs and related PIK were cancelled due to non-claim by former noteholders. As a result, the Group recognised US$5.6 million and US$9.6 million respective income within other income in the consolidated statement of profit or loss.

Payment of coupon for 2025 and onwards

The Group was required by 30 June 2025 to have paid accrued interest in accordance with the terms and conditions of the Notes. The due interest has not been paid, and as of 30 July 2025 such default has become an "Event of Default" (as defined in the conditions of the Notes) relating to the unpaid interest on the Notes due by 30 June 2025 (the “Interest EOD”). The delay was a result of a payment administration issue which did not permit the Group to make payment on the Notes, including PIK interest, through the clearing systems without additional regulatory licenses related to sanctioned bondholders and/or custodians.

On 6 October 2025, the Company obtained the requisite noteholder consent for waiving the Event of Default related to the delayed interest payment and subsequently made relevant payment of consent fees to participating noteholders.

On 29 May 2026, the applicable regulatory licence was obtained, and on 12 June 2026 the Group made coupon payments of US$25,181 thousand.

Reclassification to current liabilities

SSNs and SUNs had a maturity date of 30 June 2026, which was within 12 months after the reporting date. Considering this fact, as at 30 June 2026 and 31 December 2025 the Group classified the carrying amounts of the SSNs and SUNs into current liabilities and presented them as current portion of long-term borrowings.

The management and the Board have been actively engaging with noteholders regarding the restructuring of the Notes. On 20 July 2026, the Group obtained the necessary approvals for the Revised Transaction, including among other the long-term standstill. The Tender Offer launched on 24 July 2026 gave effect to the long-term standstill. Further details are provided in Note 1.

13. Trade payables

Trade payables comprise the following as at 30 June 2026 and 31 December 2025:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Tenge denominated trade payables	**7,826**	8,707
US Dollar denominated trade payable	**1,515**	453
Euro denominated trade payables	**461**	333
Trade payables denominated in other currencies	**281**	894
	10,083	10,387

14. Other current liabilities

Other current liabilities comprise the following as at 30 June 2026 and 31 December 2025:

In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Other accruals	**6,521**	6,163
Due to employees	**3,854**	3,637
Training obligations accrual	**3,358**	3,597
Taxes payable, including corporate income tax	**2,557**	2,455
Other current liabilities	**1,056**	2,895
	17,346	18,747

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.

15. Revenue

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Revenue from oil and gas condensate sales	**23,472**	21,567	**40,947**	37,936
Revenue from gas and LPG sales	**12,096**	8,433	**22,622**	17,159
Third-party hydrocarbon tolling fees	**3,881**	4,057	**8,071**	8,960
Revenue from sulphur sales	**434**	34	**1,001**	47
	39,883	34,091	**72,641**	64,102

The pricing for all of the Group's crude oil, gas condensate, gas and LPG is, directly or indirectly, related to the price of Brent crude oil. The average Brent crude oil price for the six months ended 30 June 2026 was US$ 92.20/bbl (six months ended 30 June 2025: US$71.90/bbl).

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

During the six months ended 30 June 2026 the revenue from sales to three major customers amounted to US$36,091 thousand, US$13,960 thousand and US$8,071 thousand, respectively (six months ended 30 June 2025: US$25,018 thousand, US$9,464 thousand and US$8,960 thousand.

16. Cost of sales

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Depreciation, depletion and amortisation	**6,090**	8,046	**12,230**	16,279
Payroll and related taxes	**5,213**	3,722	**10,691**	8,163
Materials and supplies	**3,684**	2,957	**6,699**	5,556
Repair, maintenance and other services	**2,047**	2,215	**3,938**	4,089
Well repair and maintenance costs	**1,528**	1,428	**2,530**	2,961
Transportation services	**740**	811	**1,486**	1,536
Change in stock	**(1,026)**	983	**(727)**	581
Environmental levies	**78**	64	**147**	131
Other	**291**	225	**416**	394
	18,645	20,451	**37,410**	39,690

During the six months ended 30 June 2026, the depreciation, depletion and amortisation decreased in comparison to the similar period of 2025 mainly due to the impairment charge of US$87,199 thousand as of 31 December 2025.

17. General and administrative expenses

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Payroll and related taxes	**2,735**	1,635	**5,238**	3,682
Professional services	**1,100**	1,293	**2,212**	2,301
Insurance fees	**138**	117	**255**	230
Short-term leases	**73**	29	**137**	58
Business travel	**64**	156	**123**	295
Depreciation and amortisation	**35**	92	**86**	184
Materials and supplies	**36**	36	**76**	61
Communication	**33**	38	**66**	78
Bank charges	**18**	7	**34**	14
Other	**116**	99	**155**	179
	4,348	**3,502**	**8,382**	7,082

18. Selling and transportation expenses

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Transportation costs	**1,159**	1,142	**1,776**	1,807
Payroll and related taxes	**519**	450	**1,064**	938
Loading and storage costs	**266**	343	**503**	617
Other	**417**	406	**777**	800
	2,361	2,341	**4,120**	4,162

The comparative information for H1 2025 was updated to align with current period presentation, through reclassification of US$854 thousand (Q2 2025: US$569 thousand) from the "Transportation costs" and US$519 thousand (Q2 2025: US$302 thousand) from "Loading and storage costs" to "Agent expenses on transportation and loading" within Other expenses (Note 22).

19. Taxes other than income tax

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Export customs duty	**2,571**	1,997	**3,954**	2,941
Royalties	**1,139**	699	**2,061**	1,689
RoK share	**270**	154	**515**	403
Other taxes	**262**	678	**834**	809
	4,242	**3,528**	**7,364**	5,842

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 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Amortisation of adjustments for fair value and arrangement fees	**22,659**	15,242	**45,318**	31,220
PIK coupon accrual	**15,660**	13,611	**31,586**	27,848
Cash coupon accrual	**4,402**	4,031	**8,539**	8,251
Capitalised interest expenses	**(336)**	(569)	**(663)**	(1,412)
Unwinding of discount on abandonment and site restoration provision	**263**	306	**527**	624
Unwinding of discount on amounts due to Government of Kazakhstan	**122**	124	**244**	275
Other finance costs	**734**	209	**836**	269
	43,504	**32,954**	**86,387**	**67,075**

"Other finance costs" represent bank charges, advisor and other fees related to financing activities of the Group.

Notes to the interim condensed consolidated financial statements (continued)

21. Other income

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Compensation for transportation and loading	**1,241**	853	**2,363**	1,152
Reversals of training accruals	**176**	507	**353**	1,014
Reversals of other accruals and other items	**117**	234	**265**	785
Catering and accommodation	**46**	25	**46**	45
Currency conversion	**5**	7	**16**	24
Income from cancellation of SSNs and SUNs	**–**	13,716	**–**	13,716
Other	**106**	13	**190**	56x
	1,691	15,355	**3,233**	16,792

Zhaikmunai LLP carries out transportation and loading & storage of the LPG for its certain customers, and the associated costs are reimbursed by the those customers. The relevant expenses are presented with Other expenses as “Agent expenses on transportation and loading”, and the reimbursement of those costs by the customer is recognised as “Compensation for railway expenses” The increase in these expenses and the associated “Compensation for transportation and loading” within Other income. The increase in these costs and income in H1 2026 resulted from the market demand for LPG in more remote areas, which requires transportation to longer distances and respectively is more expensive.

22. Other expenses

In thousands of US Dollars	For the three months ended 30 June		For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Agent expenses on transportation and loading	**1,255**	871	**2,412**	**1,373**
Business development costs	**1,021**	876	**1,368**	**2,140**
Training accruals	**102**	(61)	**203**	**262**
Social program	**91**	96	**179**	**192**
Other taxes and penalties	**98**	176	**175**	**407**
Currency conversion	**39**	–	**74**	**–**
Social contribution	**6**	27	**6**	**50**
Loss on disposal of property, plant and equipment	**–**	28	**–**	**40**
Management Incentive Plan	**–**	15,537	**–**	**15,537**
Other	**343**	1,018	**1,025**	**1,480**
	2,955	**18,568**	**5,442**	**21,481**

The comparative information for H1 2025 was updated to align with current period presentation, through reclassification of US$854 thousand (Q2 2025: US$569 thousand) from the “Transportation costs” and US$519 thousand (Q2 2025: US$302 thousand) from “Loading and storage costs” in Selling and transportation expenses to “Agent expenses on transportation and loading” within Other expenses (Note 18).

23. Income tax

In thousands of US Dollars	For the three months ended 30 June		For the six months Ended 30 June	
	2026 (unaudited)	2025 (unaudited)	**2026 (unaudited)**	2025 (unaudited)
Corporate income tax expense	**1,554**	855	**2,817**	2,093
Withholding tax	**236**	239	**479**	476
Deferred income tax expense	**(3,245)**	8,656	**(6,199)**	2,195
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	**(26)**	207	**(283)**	(177)
	(1,481)	9,512	**(3,186)**	4,587

Corporate income tax is recognised based on the estimated annual effective income tax rate applied to the income before tax for the six months ended 30 June 2026.

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.

24. 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.

In 2024, Nostrum adopted the Management Incentive Plan (the “MIP”), details of which can be found on pages 118–121 of the Company’s 2024 Annual Report. The performance conditions for MIP Award 1 were met in July 2024, with vesting and payments in eight quarterly instalments commencing in August 2024. MIP Award 1 was awarded to 14 members of the key management personnel and directors. The performance conditions for MIP Award 2 were met in April 2025, with payments made during 2025. MIP Award 2 was awarded to 14 members of the key management personnel and directors.

Remuneration of key management personnel and directors is shown in the tables below.

Key management personnel remuneration

In thousands of US Dollars	For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Award 1 under the MIP	**–**	539
Award 2 under the MIP	**–**	7,362
Gross pay and other benefits	**3,660**	2,554
	3,660	10,455

Non-Executive Directors’ remuneration

In thousands of US Dollars	For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Award 1 under the MIP	**–**	284
Award 2 under the MIP	**–**	3,925
Gross pay and other benefits	**402**	347
	402	4,556

25. 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 administrative fines and interest penalties related to 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 50 - 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, fines and penalties can be significant. For oil and gas producing companies, fiscal periods remain open to review by tax authorities for five calendar years from the date of the tax obligation. Under certain circumstances reviews may cover longer periods. Because of the uncertainties associated with Kazakhstan's tax system, the ultimate amount of taxes, fines and penalties, if any, may be in excess of the amount expensed to date and accrued at 30 June 2026. As at 30 June 2026 management believes that its interpretation of the relevant legislation is appropriate and that the Group's tax position will be sustained.

Pending tax disputes

The table below provides a summary of the tax contingencies associated with the outstanding disputes with the tax authorities of the Republic of Kazakhstan as at 30 June 2026 converted from the original KZT denominated amounts into USD using the official exchange rate of the National Bank of Kazakhstan of KZT 485.82 per US$1:

In millions of US Dollars	Reason for dispute	Principal	Interest assessed*	Estimated additional interest*	Total
2018	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan. Applicability of withholding tax on income from consulting services.	17.0	12.7	8.4	**38.1**
2019	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan.	11.2	9.1	3.3	**23.6**
2020	Applicability of exemption from withholding tax on interest on bonds issued by Group companies. Applicability of reduced rates of withholding tax on interest on an intra-Group loan.	11.7	10.6	1.0	**23.3**
		39.9	**32.4**	**12.7**	**85.0**

** Interest assessed represents amounts of penalty interest included in the tax audit reports for the periods up until the issuance of the relevant report. Additional interest has been estimated from the respective tax audit report issuance dates. No administrative fines have been imposed due to the expiry of the applicable statutory limitation periods.*

2018 and 2019 withholding tax assessments

In late 2023 and late 2024, the Kazakhstan tax authorities conducted withholding tax audits of Zhaikmunai LLP for the financial years 2018 and 2019, respectively, and issued the resulting tax audit report on 22 January 2024 and 14 February 2025. The total amount of taxes and interest assessed in the tax audit reports in respect of 2018 and 2019 was approximately US$50.0 million, with additional interest of US$11.7 million estimated for the subsequent periods, which may be imposed by the tax authorities.

The comprehensive tax audit for the years 2016-2021 which was conducted by the Kazakhstan tax authorities and completed in early 2023, has covered withholding tax matters among a wide range of other taxes. In the view of this fact and other arguments, Zhaikmunai LLP successfully challenged the legality of conducting the repeat tax audit for 2018 at the court of first instance and the appellate court . However, in May 2025 the Supreme Court of Kazakhstan overturned the decisions of the lower courts and ruled in favour of the tax authorities. Zhaikmunai LLP also challenged the legality of the repeat withholding tax audit for 2019. Both the court of first instance and the appellate court ruled in favour of the tax authorities. In July 2025, Zhaikmunai LLP submitted a final appeal to the Supreme Court of Kazakhstan, which remains pending.

In parallel, Zhaikmunai LLP appealed the results of the 2018 and 2019 tax audits to the Appeals Board of the Kazakhstan Ministry of Finance. On 17 February 2026, Zhaikmunai LLP received notifications that, following the meeting held on 13 February 2026, the Appeals Board had rejected the Company's appeals against the results of the repeat tax audits for 2018 and 2019.

Following the Appeals Board's decisions, Zhaikmunai LLP filed claims with the court of first instance challenging the underlying tax assessments. On 13 May 2026, the court of first instance rejected Zhaikmunai LLP's claims in respect of the 2018 and 2019 withholding tax assessments. On 20 July 2026, Zhaikmunai LLP filed an appeal to Appeals Court against the decision of the court of first instance. The appeal is expected to be considered by mid-September 2026. In the event of an adverse decision, Zhaikmunai LLP may be required to settle the related tax assessments, including applicable interest, or otherwise tax authorities have the right to suspend the bank accounts of Zhaikmunai LLP until the resulting tax debt is paid.

2020 withholding tax assessments

In late 2025, the Kazakhstan tax authorities conducted withholding tax audits of Zhaikmunai LLP for the financial year 2020 and issued the resulting tax audit report on 11 February 2026. The total amount of taxes and interest assessed in the tax audit report in respect of 2020 was approximately US$22.3 million, with an additional interest of US$1.0 million estimated for subsequent period, which may be imposed by the tax authorities.

On 17 March 2026 Zhaikmunai LLP submitted an appeal against the results of the tax audit to the Appeals Board of the Kazakhstan Ministry of Finance. As of the date of authorisation of these interim condensed consolidated financial statements, no decision had been announced by the Appeals Board.

2021-2025 estimates

There is a risk that the Kazakhstan tax authorities may apply a similar approach for the financial years 2021–2025, in which case additional assessment of tax principal and interest may be estimated at US$ 80.5 million. As of the date of authorisation of these interim condensed consolidated financial statements, tax audits for 2021–2025 had not commenced.

Notes to the interim condensed consolidated financial statements (continued)

Management position and further actions

Zhaikmunai LLP and the Group continue to consider treaty-based remedies and other available legal avenues to defend their positions. For instance, pursuant to the mutual agreement procedure ("MAP") under the relevant double tax treaty between the Kingdom of the Netherlands and the RoK in respect of the pertinent claims, the appeal at the RoK Ministry of Finance Appeal Board in relation to 2020 assessments may be suspended pending the outcome of the MAP. In accordance with the RoK Constitution, international treaties ratified by the RoK have priority over RoK domestic laws (including the RoK tax code) and RoK Supreme Court precedent provides that where an international treaty contains a mutual agreement procedure such as the MAP, for the good faith performance of the treaty such mutual agreement procedure, when invoked, should be conducted between the competent authorities of the two states party to the treaty to achieve the goals of such treaty. A treaty party may not invoke the provisions of its internal law as justification for a failure to perform its treaty obligations.

As Kazakhstan's tax legislation and regulations are subject to varying interpretations and instances of inconsistent positions between local, regional and national tax authorities and courts, management assesses the risk of an unfavourable outcome for Zhaikmunai LLP in the pending and any future legal proceedings as possible. Management considers the material elements of the assessments to be without merit or foundation and intends to defend its position vigorously and follow the appropriate legal and administrative processes.

In forming this assessment, management has considered the professional advice received, the applicable investment conventions and tax legislation in the relevant jurisdictions, and the facts and circumstances of each individual claim.

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 flows could be materially affected in a particular period.

Capital commitments

As at 30 June 2026, the Group had contractual capital commitments in the amount of US$2,429 thousand (31 December 2025: US$2,333 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 for the purposes of educating Kazakh citizens in the amount equivalent to one percent of the actual annual investments for the Chinarevskoye field.

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.

26. 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 30 June 2026 and 31 December 2025.

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	
In thousands of US Dollars	**30 June 2026 (unaudited)**	31 December 2025 (audited)	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Interest bearing borrowings	**761,895**	701,809	**221,948**	208,146
Total	**761,895**	701,809	**221,948**	208,146

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 30 June 2026 and 31 December 2025 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.

The Group manages its capital structure by considering changes to the economic environment and the risk characteristics of the Group's assets. To effectively manage the capital requirements, the Group has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Group has the appropriate liquidity to meet its operating and growth objectives, as well as to provide shareholder returns.

Most recently, the Group's focus has been on maintaining short-term liquidity and preserving cash through cost optimisation programme, improving product netbacks and managing the capital expenditure programme. After successful implementation of the Revised Transaction, the Group will once again revisit its capital management policy in line with bondholder and shareholder expectations.

27. Events after the reporting period

Long-term standstill and changes to the Group’s debt terms

On 26 June 2026, the Group launched a consent solicitation in respect of its SSNs and SUNs, proposing amendments intended to provide the Group with financial stability during the ongoing withholding tax disputes in Kazakhstan. The proposals included restrictions on enforcement of principal prior to 1 January 2031, a reduction in the interest rate on the SUNs to 2.0%, changes to default interest, the provision of second-ranking security to SUNs and a tender offer to repurchase up to US$30 million of SSNs.

On 20 July 2026, the relevant meetings were held, and the necessary approvals were obtained for the Revised Transaction. The consent conditions as defined in the consent solicitation have therefore been satisfied, other than the consent condition relating to the tender offer. Accordingly, the warrants expired on 20 July 2026 and were delisted from TISE on 28 July 2026.

On 24 July 2026, Nostrum announced an invitation to holders of the SSNs to tender their notes for repurchase in the form of a reverse Dutch auction – as a result the remaining consent condition has been met and the Revised Transaction became effective. The tender offer is subject to a consideration cap of up to US$30 million with an acceptable price range of US$400 to US$650 per US$1,000 in principal amount. The tender offer will expire at 5:00 p.m. (New York City time) on 21 August 2026. The results of the tender offer will be announced as soon as reasonably practicable after the expiry of the tender offer, following which settlement will be made within 3 business days. No consent fee will be payable in respect of any SSNs repurchased pursuant to the tender offer.

Potential sale of the Group’s Kazakhstan businesses

Over recent years, the Group has been in discussions with various potential purchasers of the Group's businesses. However, such approaches and discussions have not progressed beyond preliminary stages and have been at price levels significantly below the Group's outstanding debts balance. During 2026, one of those potential purchaser expressed renewed interest in acquiring the Group’s businesses. The Group is currently engaging with the interested party in relation to due diligence and potential transaction terms; however, no binding agreement has been reached as of the date of authorisation of these interim condensed consolidated financial statements. The transaction remains subject to negotiation and the relevant corporate, noteholder and regulatory approvals, and there can be no certainty as to whether or when it will be completed or as to its final terms and financial effect.