



Financial Results for the quarter ended 31 March 2022

May 2022

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Strategic

- Restructuring on track and moving towards Q3 completion
- 99.99% of voting shareholders voted in favour of the restructuring terms
- US\$1.125bn existing debt will be replaced with new US\$550m notes and 88.89% of the expanded equity in Group
- Continued stakeholder engagement to monetise spare capacity in gas processing facilities

Operational

- Average daily production volumes of 14,683 boepd (Q1 2021: 19,341 boepd)
- Average daily sales volumes of 14,059 boepd (Q1 2021: 17,419 boepd)
- Well workover and well intervention programme continues into 2022
- No unplanned downtime of field facilities

Financial

- 30% increase in revenues to US\$60.2m (Q1 2021: US\$46.2m)
- 51% increase in EBITDA¹ to US\$40.5m (Q1 2021: US\$26.8m)
- 130% increase in free cash generation of US\$15.6m (Q1 2021: US\$6.8m)
- Unrestricted cash balances of US\$180.8m

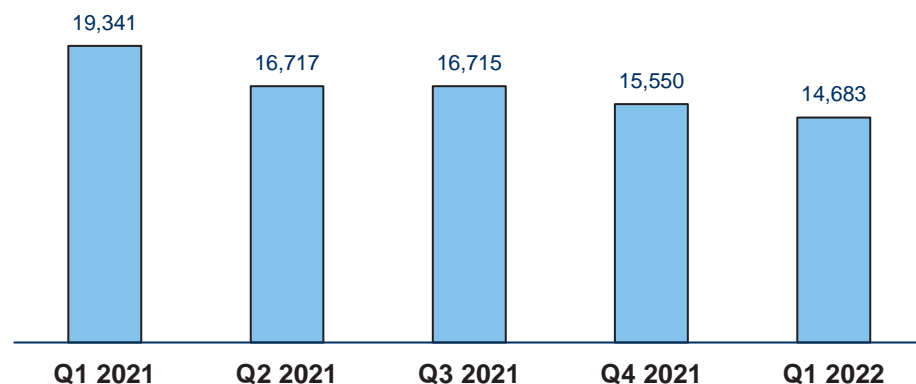
Sustainability

- Zero fatalities and severe injuries from operations
- 79% of workforce vaccinated against COVID-19
- 1,250 tonnes of air emissions emitted in Q1 2022 against 6,413 tonnes permitted for 2022
- Preparations beginning for 2022 CDP disclosure (climate change and water security)

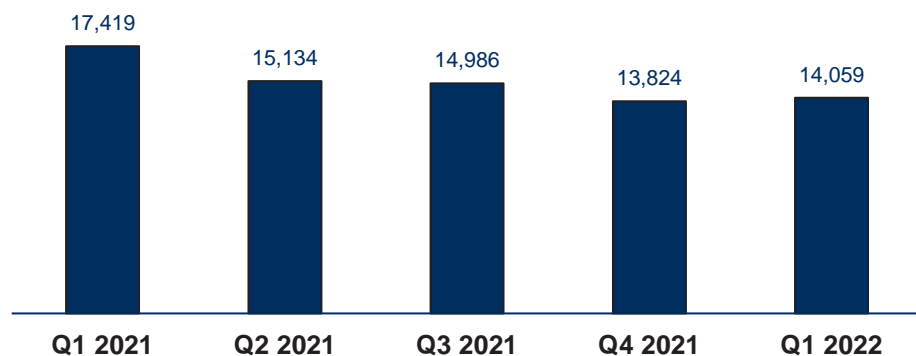
¹ EBITDA is defined as profit before tax net of finance costs, foreign exchange loss/gain, ESOP, depreciation, interest income, other income and expenses.

Operational review

Production volumes (boepd)¹



Sales volumes (boepd)¹



- Q1 2022 average production volumes available for sales 14,683 boepd

➤ *Crude/condensate: 6,043 boepd (41%)*

➤ *LPG: 1,780 boepd (12%)*

➤ *Dry gas: 6,860 boepd (47%)*

- Production decline continues from the mature Chinarevskoye field.
- Continuation of targeted workover and well intervention programme in 2022.
- Q1 2022 average sales volumes 14,059 boepd.
- Condensate inventory amounted to approximately 246,000 boe at quarter end (268,000 boe at 2021 YE).

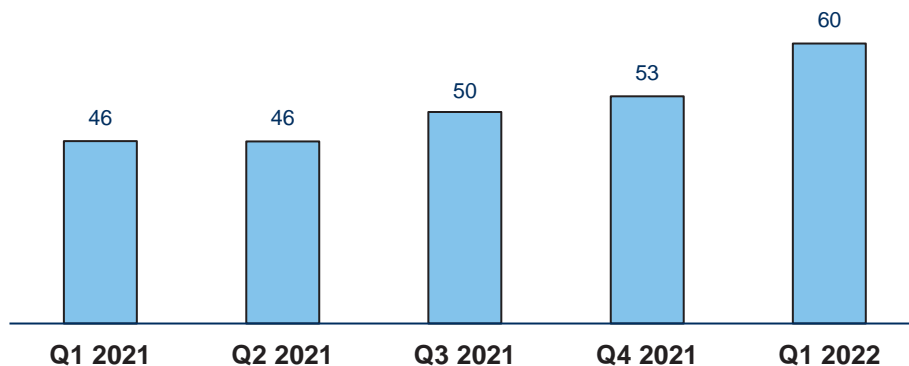
2022 guidance

- Production volumes: 12,750 to 13,750 boepd
- Sales volumes: 11,500 to 12,500 boepd

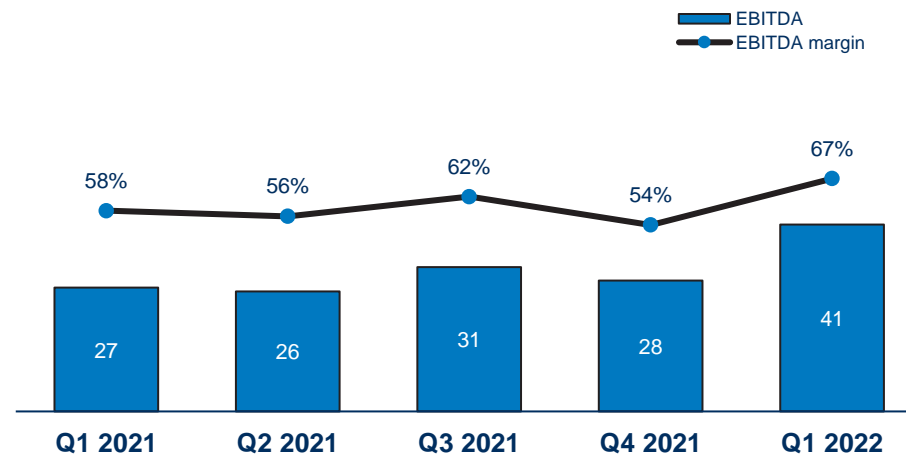
¹ The delta between production and sales volumes fluctuates annually depending on the timing of condensate shipments. The average delta between production and sales volumes adjusting for condensate shipments is 1,000-1,500 boepd - this represents own use gas required to power certain field facilities.

Financial review

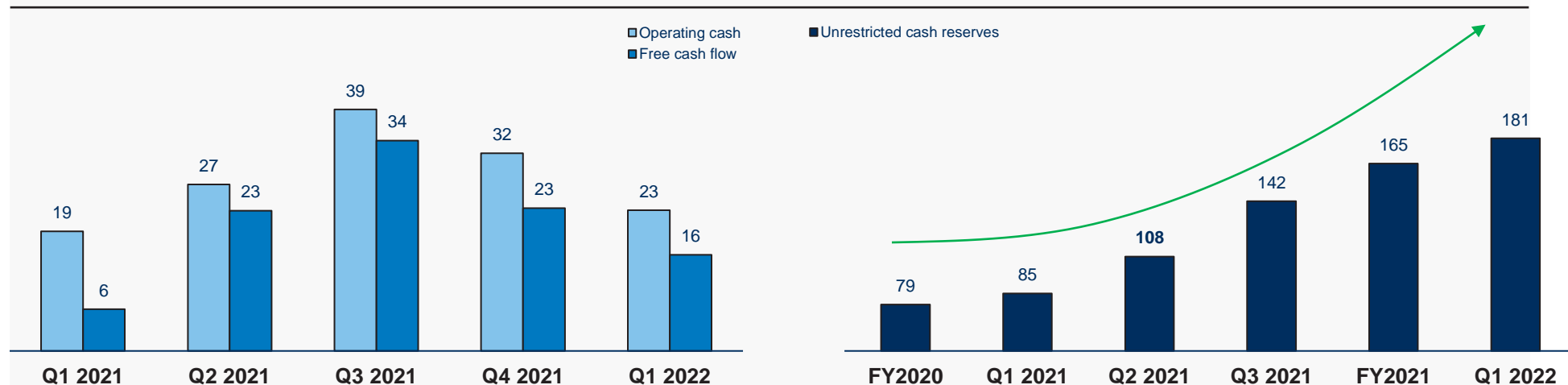
Revenue (US\$m)



EBITDA¹ (US\$m)



Cash generation (US\$m)



¹ EBITDA is defined as profit before tax net of finance costs, foreign exchange loss/gain, ESOP, depreciation, interest income, other income and expenses.

Update on bond restructuring

- Agreement reached on restructuring terms with noteholders and shareholders
- Scheme of arrangement pursuant to restructuring launched officially on 11 May via issuance of practice statement letter to noteholders

Agreed restructuring terms

Partial reinstatement of Notes

- US\$250m Senior Secured Notes – 5% cash coupon
- US\$300m Senior Unsecured Notes – 1% cash coupon, 13% payment in kind
- New notes mature on 30 June 2026

Conversion to equity

- Remaining notes and accrued interest converted to equity
- Existing shareholders diluted to 11.11%
- Issue of warrants to new noteholders may further dilute existing shareholders to 10.00%.

Corporate Governance Arrangements

- Cash sweep mechanism to debt service and restricted account
- Transfer to Standard Listing segment of the London Stock Exchange
- Board to initially consist of 7 Directors (currently 5)

Timetable to closing

✓ Publication of restructuring Circular	13 April
✓ General Meeting	29 April
✓ Launch of scheme	11 May
Convening Hearing	8 June
Publication of Prospectus	June
Creditors' Meeting*	4 July
Sanction Hearing*	11 July
Restructuring close*	Q3

*The dates provided are based on the Company's current expectations and may be subject to change.

Gearing up for the future

DELIVERING

Commercialise spare capacity in world-class processing facilities

Comprehensive ESG roadmap for a sustainable future

Restore investor confidence

OPTIMISING

Finalise the restructuring

Sales routes for optimal netbacks

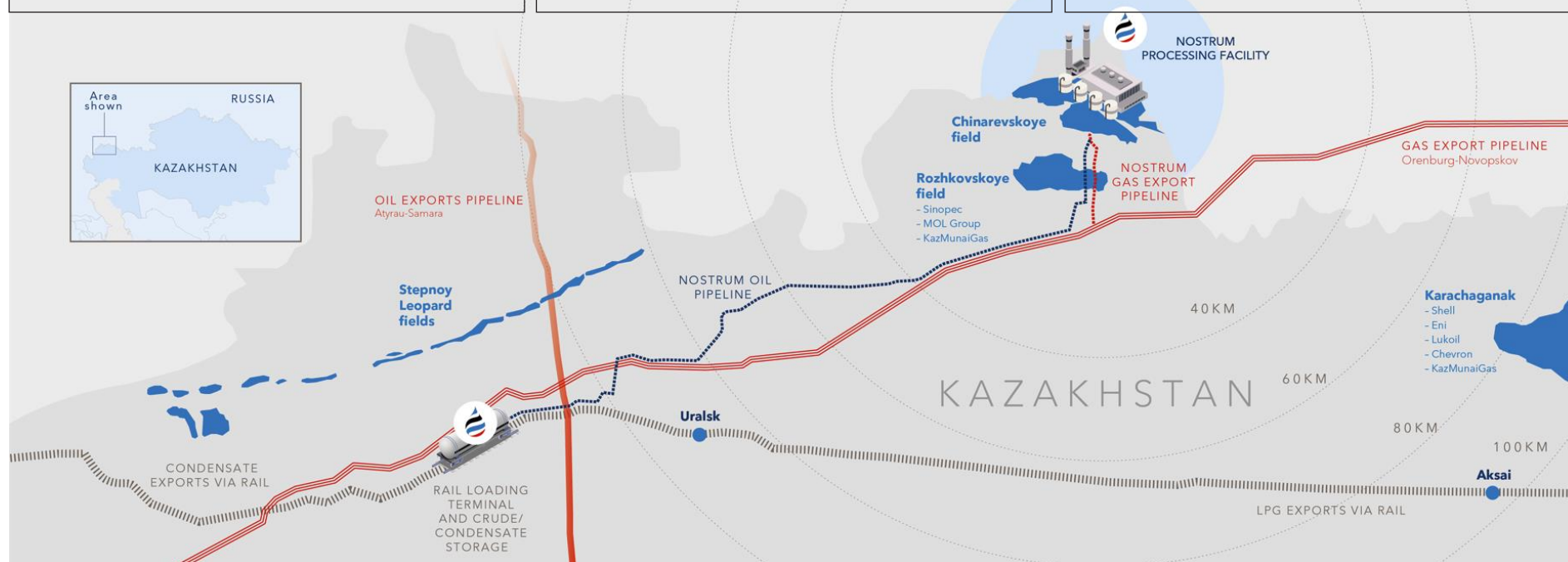
Cost efficiencies to improve liquidity

MAXIMISING

Production from Chinarevskoye

Adding to reserves

Viable opportunities for future drilling



Q&A





Supporting materials

Infrastructure hub in North-western Kazakhstan

Fully commissioned 4.2bcm gas plant

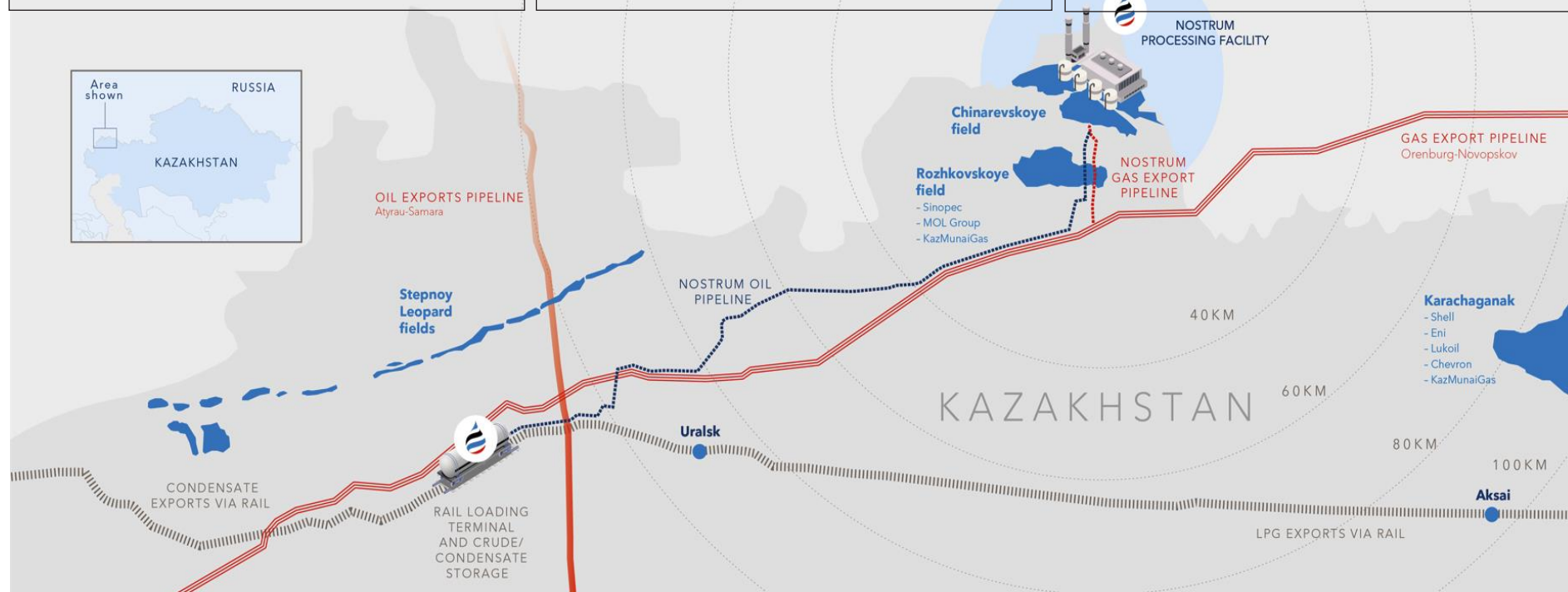
- Unique to North-West Kazakhstan
- State-of-the-art infrastructure
- Currently 15% utilised allowing opportunities for strategic stranded gas deals
- Opportunity to contribute to State's ambition to develop cleaner energy resources

Regional opportunities to utilise spare capacity

- Ural Oil & Gas volumes expected from Q3 2023
- Further opportunities exist on both sides of the border
- Stakeholder and State engagement has commenced on various strategic initiatives
- Potential to increase jobs and State tax revenues

Attractive access routes to multiple export and domestic markets

- Top-to-tail owned infrastructure providing access to export markets
- Rail loading terminal in Beles allowing access to railway lines and main oil export trunkline
- Gas pipeline connecting into main gas export trunkline



Q1 2022 Financial Results

Interim Condensed Consolidated Statement of Financial Position

<i>In thousands of US Dollars</i>	Notes	31 March 2022 (unaudited)	31 December 2021 (audited)
Assets			
Non-current assets			
Property, plant and equipment	4	308,472	320,125
Advances for non-current assets	5	2,835	1,418
Restricted cash	9	30,435	30,438
		341,742	351,981
Current assets			
Inventories	6	31,738	31,387
Prepayments and other current assets	7	9,195	9,735
Income tax prepayment		425	300
Trade receivables	8	23,129	6,659
Cash and cash equivalents	9	180,822	165,246
		245,309	213,327
TOTAL ASSETS		587,051	565,308
Equity and liabilities			
Share capital and reserves			
Share capital	10	3,203	3,203
Treasury capital		(1,660)	(1,660)
Retained deficit and reserves		(838,143)	(824,796)
		(836,600)	(823,253)
Non-current liabilities			
Abandonment and site restoration provision		29,076	29,008
Due to Government of Kazakhstan		4,487	4,563
Deferred tax liability	22	42,825	34,072
		76,388	67,643
Current liabilities			
Current portion of long-term borrowings	12	1,316,465	1,289,603
Trade payables	13	9,009	8,399
Advances received		26	9
Current portion of due to Government of Kazakhstan		1,031	1,031
Other current liabilities	14	20,732	21,876
		1,347,263	1,320,918
TOTAL EQUITY AND LIABILITIES		587,051	565,308

Q1 2022 Financial Results

Interim Condensed Consolidated Statement of Comprehensive Income

		For the three months ended 31 March	
		2022 (unaudited)	2021 (unaudited, restated*)
<i>In thousands of US Dollars</i>	Notes		
Revenue			
Revenue from export sales		54,955	39,195
Revenue from domestic sales		5,241	6,995
	15	60,196	46,190
Cost of sales	16	(21,094)	(23,099)
Gross profit		39,102	23,091
General and administrative expenses	17	(2,774)	(2,846)
Selling and transportation expenses	18	(4,699)	(6,232)
Taxes other than income tax	19	(5,212)	(3,717)
Finance costs	20	(31,329)	(27,864)
Foreign exchange (loss) / gain, net		(261)	12
Interest income		70	54
Other income	21	1,302	2,240
Other expenses		(723)	(738)
Loss before income tax		(4,524)	(16,000)
Current income tax expense		(149)	(364)
Deferred income tax expense		(8,753)	(4,015)
Income tax expense	22	(8,902)	(4,379)
Loss for the period		(13,426)	(20,379)
Other comprehensive income / (loss) that could be reclassified to the income statement in subsequent periods			
Currency translation difference		79	(99)
Other comprehensive income / (loss)		79	(99)
Total comprehensive loss for the period		(13,347)	(20,478)
Loss for the period attributable to the shareholders (in thousands of US dollars)		(13,426)	(20,379)
Weighted average number of shares		185,234,079	185,234,079
Basic and diluted earnings per share (in US dollars)	11	(0.07)	(0.11)

* Certain amounts shown here do not correspond to the 2021 financial statements and reflect adjustments made, please refer to Note 3 for more details.

Q1 2022 Financial Results

Interim Condensed Consolidated Statement of Cash Flows

		For the three months ended 31 March	
		2022 (unaudited)	2021 (unaudited, restated*)
<i>In thousands of US Dollars</i>			
	Notes		
Cash flow from operating activities:			
Loss before income tax		(4,524)	(16,000)
<i>Adjustments for:</i>			
Depreciation, depletion and amortisation	16,17,18	14,043	16,514
Finance costs	20	31,329	27,864
Interest income		(70)	(54)
Foreign exchange loss on investing and financing activities		(99)	(126)
Operating profit before working capital changes		40,679	28,198
<i>Changes in working capital:</i>			
Change in inventories		(351)	815
Change in trade receivables		(16,469)	(7,237)
Change in prepayments and other current assets		(1,874)	(521)
Change in trade payables		2,441	(674)
Change in advances received		17	(85)
Change in due to Government of Kazakhstan		(258)	(258)
Change in other current liabilities		(1,144)	(609)
Cash generated from operations		23,041	19,629
Income tax paid		(274)	(284)
Net cash flows from operating activities		22,767	19,345
Cash flow from investing activities:			
Interest received		70	54
Purchase of property, plant and equipment		(2,636)	(1,145)
Exploration and evaluation works		–	(31)
Advances for non-current assets		(1,417)	–
Transfer to restricted cash		–	(8,644)
Net cash used in investing activities		(3,983)	(9,766)
Cash flow from financing activities:			
Finance costs paid		(9)	–
Other finance costs		(3,376)	(2,067)
Payment of principal portion of lease liabilities		–	(656)
Finance charges on lease liabilities		–	(103)
Net cash used in financing activities		(3,385)	(2,826)
Effects of exchange rate changes on cash and cash equivalents		177	9
Net increase in cash and cash equivalents		15,576	6,762
Cash and cash equivalents at the beginning of the year	9	165,246	78,583
Cash and cash equivalents at the end of the year	9	180,822	85,345

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