



**U.S.\$ 300,000,000 1% Senior Unsecured Notes due 2026 (the Original SUNs) and together with any additional Senior Unsecured Notes due 2026 paid as SUN PIK Notes (as defined below) (the SUNs) of**

**Nostrum Oil & Gas Finance B.V.**

**and**

**Warrants entitling the holders to subscribe for ordinary shares of Nostrum Oil & Gas Plc (as defined below)**

The U.S.\$250,000,000 5% Senior Secured Notes (the “SSNs”) due 2026, U.S.\$300,000,000 1% Senior Unsecured Notes due 2026 (the “**Original SUNs**”) and together with any additional Senior Unsecured Notes due 2026 paid as SUN PIK Notes (as defined below) (the “**SUNs**”, and together with the SSNs, the “**Notes**”) (the “**Securities**” or the “**Notes**”, and each a “**Note**”) of Nostrum Oil & Gas Finance B.V. (the “**Company**” or the “**Issuer**” or “**NOG Finance**”) will be issued in accordance with the laws of England and Wales in denominations of U.S.\$1,000 as part of the implementation of the scheme of arrangement sanctioned by the High Court of Justice of England and Wales on 26 August 2022 (the “**Restructuring**”) as described herein and in the LSE Prospectus (as defined herein). SUNs entitle the holders to receive a certain number of warrants (“**Warrants**”) to be issued by Nostrum Oil & Gas plc, a public limited company incorporated and existing under the laws of England and Wales, registration number 8717287 (“**Nostrum**” or the “**Warrant Issuer**” and, together with its subsidiaries, the “**Group**”), which entitle the holders to subscribe for ordinary shares of Nostrum upon exercise in circumstances as set out herein (including the Annex 1 – Securities Note), in the LSE Prospectus (as defined below) and in the document instituting the Warrants. The Warrants will be issued to the Warrant Trustee (as described herein) and will be tradeable alongside the SUNs.

The information about the Warrants may be obtained in the Schedule 1 of this Prospectus and prospectus dated 14 October 2022 with the first supplementary prospectus dated 6 December 2022, (together, the “**LSE Prospectus**”), all approved by the FCA.

Issuer is a wholly-owned subsidiary of Nostrum and is the part of the Group.

Nostrum is an independent oil and gas company engaged in the production, development and exploration of oil and gas products in the pre-Caspian Basin. Zhaikmunai LLP (“**Zhaikmunai**”) an indirectly wholly-owned subsidiary of Nostrum, is the sole holder of the subsoil use rights with respect to the development of the Chinarevskoye Field in the northern part of the oil rich pre-Caspian Basin in North-West Kazakhstan and, as such, operates the field. The Chinarevskoye Field is the Group’s primary field and licence area and main source of income.

The Issuer will not seek admission of the Notes and Nostrum will not seek admission of the Warrants to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum’s ordinary shares to be admitted to the official list of the AIX.

The Issuer intends to seek admission of the Notes, and the Warrant Issuer intends to seek admission of the Warrants, to the official list of The International Stock Exchange (“**TISE**”), Channel Islands, and to trading on TISE in connection with such admission (the “**TISE Admission**”). The TISE Admission is expected to become effective in the first half of February 2023.

The Issuer may from time to time issue additional senior unsecured notes due 2026 as payment in kind interest on the SUNs (the “**SUN PIK Notes**”) to satisfy certain interest obligations as described in this Prospectus. Such SUN PIK Notes shall form a single series with the Original SUNs and shall be deemed to be constituted on the same terms as the Original SUNs.

The Issuer intends to undertake an offer on the AIX of the SUNs (together with related Warrants) (as described in Schedule 1) (the “**Offer**”) to holders of the U.S.\$725,000,000 8.0% Senior Notes due 2022 and U.S.\$400,000,000 7.0% Senior Notes due 2025 (the “**Existing Notes**”) of Nostrum in exchange for a waiver of their claims to the Group. The Issuer intends to seek listing of the Notes on the TISE, and undertake the Offer on the AIX in connection with the Restructuring to comply with the Kazakhstan the subsoil and subsoil use legislation requirements on issuance of objects related to the subsoil use right into circulation on the organized securities market.

The Offer is expected to commence at 11:00 (Astana time) on 8 February 2023 and close at 15:00 (Astana time) on the same day (the “**Offer Day**”), which may be extended upon written request of the Bookrunner in accordance with the terms of the book-building agreement entered into with the AIX. The request for an extension of the AIX Offer will be made on the basis of the decision of the Issuer’s competent authority, which will be published through the AIX’s Regulatory Announcement Service by Nostrum (the “**RAS**”). The offer will be made using the AIX book-building facilities. The Issuer has engaged JSC Halyk Finance, registered at Republic of Kazakhstan, A05A1B9, Almaty, Abay Avenue, 109 B, 5<sup>th</sup> floor, as bookrunner (the “**Bookrunner**”) who will be acting as a bookrunner for the Offer. One day before the Offer day the Bookrunner will issue an announcement on the Offer and the AIX will issue the market notice setting out the terms and details of the book-building, allocation and settlement of securities as part of the Offer.

As part of the Offer, no settlement of the SUNs and Warrants will be made on the AIX, allocation and distribution of the SUNs and Warrants will be made on the Effective date of the Restructuring, which is expected to occur on or about 9 February 2023 (the “**Allocation Date**”) in the Issuer’s depository (DTC) and through the Warrant Trustee, respectively.

**The Astana International Exchange Ltd. (the “AIX”) and its related companies and their respective directors, officers and employees do not accept responsibility for the content of the information included in this Prospectus including the accuracy or completeness of such information. Liability for the Prospectus lies with the Issuer and other persons such as Experts whose opinions are included in the Prospectus with their consent. Nor has the AIX, its directors, officers or employees assessed the suitability of the securities to which the Prospectus relates for any particular investor or type of investor. If you do not understand the content of this Prospectus or are unsure whether the securities are suitable for your individual circumstances, you should consult an authorized financial advisor.**

This document constitutes the Prospectus of the Notes (the “**Prospectus**”) described herein and is prepared in accordance with and for the purposes of the AIFC Market Rules (AIFC Rules No.FR0003 dated 17 October 2017) (as amended) (the “**Market Rules**”) of the Astana International Financial Centre (the “**AIFC**”). Full information on the Issuer and the offer of the Notes is only available on the basis of this Prospectus. This Prospectus has been approved by the AIX as a prospectus relating to the Issuer prepared in accordance with the Market Rules and applicable Kazakhstan law. This Prospectus will be made available to the public in accordance with the AIX Business Rules dated 17 November 2017 (the “**Business Rules**”) through the RAS and on Nostrum’s website at <https://www.nostrumoilandgas.com/> prior to the Offer day.

This Prospectus was approved by the resolution of the Issuer on 27 January 2023 and approved by the AIX on 6 February 2023.

No action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus (in preliminary, proof or final form) or any amendment or supplement thereto or any other offering or publicity material relating to the Notes, may be distributed in or from, or published in any country or jurisdiction, except under

circumstances that will result to the best of the Issuer's knowledge and belief in compliance with any applicable securities laws or regulations.

Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction or under any circumstances in which such offer, solicitation or sale is not authorized or would be unlawful. Recipients of this Prospectus who intend to subscribe for or purchase the Notes are reminded that any subscription or purchase may only be made on the basis of the information contained in the final Prospectus.

The Notes constitute debt instruments. An investment in the Notes involves risks. By subscribing to the Notes, investors lend money to the Issuer who undertakes to pay interest on a semi-annual basis and to reimburse the principal on 30 June, 2026 (the "**Maturity Date**"). In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. The Notes are intended for investors who are capable of evaluating the interest rates in light of their knowledge and financial experience. An investment decision must solely be based on the information contained in the present Prospectus. Before making any investment decision, the investors must read the Prospectus in its entirety (and, in particular, "*Risk factors*" section in the Prospectus). Each potential investor must investigate carefully whether it is appropriate for this type of investor to invest in the Notes, taking into account his or her knowledge and experience and must, if needed, obtain professional advice.

In this Prospectus, unless otherwise specified, references to USD and U.S.\$ are to the official currency of United States of America.

This Prospectus may be used in connection with the listing of not more than U.S.\$250,000,000 in aggregate principal amount of SSNs.

This Prospectus may be used in connection with the listing of not more than U.S.\$300,000,000 in aggregate principal amount of Original SUNs and an unlimited amount of SUN PIK Notes.

This document must be read in conjunction with all documents deemed to be incorporated by reference in and forming part of this Prospectus (see under Documents incorporated by reference) and shall be construed accordingly.

The date of this Prospectus is 6 February 2023.

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## PROSPECTUS SUMMARY

### 1. Introduction

The Prospectus Summary should be read as an introduction to the Prospectus. Any decision to invest in the Securities should be based on a consideration of the Prospectus as a whole by the investor. These Securities (Notes) constitute debt instruments. An investment in the Notes involves risks. By subscribing to the Notes, investors lend money to the Issuer who undertakes to pay interest on a semi-annual basis and to reimburse the principal on the Maturity Date. In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. Civil liability attaches only to those Persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Securities.

<b>Issue</b>	The U.S.\$250,000,000 5% Senior Secured Notes due 2026, U.S.\$ 300,000,000 1% Senior Unsecured Notes due 2026 and together with any additional Senior Unsecured Notes due 2026 paid as SUN PIK Notes.
<b>ISIN</b>	SUNs: US66978CAD48; USN64884AE41; and the SSNs: US66978CAF95; USN64884AF16.
<b>Issuer</b>	Nostrum Oil & Gas Finance B.V., registered with the Trade Register of the Dutch Chamber of Commerce under number 68446705. The contact details of the Issuer are: Bloemendaalsweg 139 Hofstede Sparrenheuvel 2061CH Bloemendaal, The Netherlands, email: hartnett@nog.co.uk.
<b>Prospectus</b>	<p>This Prospectus was approved by the Issuer on 27 January 2023. This Prospectus was approved by the AIX on 6 February 2023.</p> <p>The contact details of the AIX are: 55/19 Mangilik El St., Block C 3.4., Astana, Republic of Kazakhstan, tel. +7(717) 223 53 20, market@aix.kz, www.aix.kz.</p>

### 2. Key Information on the Issuer

#### 2.1 Who is the Issuer of the Securities?

<b>Issuer</b>	Nostrum Oil & Gas Finance B.V., registered with the Trade Register of the Dutch Chamber of Commerce under number 68446705. The contact details of the Issuer are: Bloemendaalsweg 139 Hofstede Sparrenheuvel 2061CH Bloemendaal, The Netherlands, email: hartnett@nog.co.uk.											
<b>The Issuer's principal activities</b>	Incorporated in the Netherlands, the Issuer is a finance company used by Nostrum to issue external debt to finance the Group's principal activities. Nostrum's principal business activities comprise production, development and exploration of oil and gas products in the pre-Caspian Basin at the Chinarevskoye Field. Zhaikmunai, an indirectly wholly-owned subsidiary of Nostrum, is the sole holder of the subsoil use rights with respect to the development of the Chinarevskoye Field.											
<b>Major participants</b>	<p>The sole shareholder of the Issuer is Nostrum Oil &amp; Gas Coöperatief U.A. ("<b>NOG Cooperatief</b>"), a cooperative (<i>een coöperatie</i>), incorporated under the laws of the Netherlands, with its registered address at Bloemendaalseweg 139, Hofstede Sparrenheuvel, 2061CH Bloemendaal, The Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 59017376. NOG Cooperatief has two members: (1) Nostrum, which owns over 99.9% of participatory interests in NOG Cooperatief; and (2) Nostrum Oil &amp; Gas B.V. ("<b>NOG BV</b>"), a private limited liability company incorporated under the laws of the Netherlands under registration number 16032335, with its registered address at Bloemendaalseweg 139, Hofstede Sparrenheuvel, 2061CH Bloemendaal, the Netherlands, which: (1) owns less than 0.1% of participatory interests in NOG Cooperatief, and (2) is wholly owned by Nostrum.</p> <p>Nostrum is a public limited company, whose shares are listed on the London Stock Exchange under ticker NOG, and on the Kazakhstan Stock Exchange under ticker GB NTRM, and are freely transferable and tradable on the securities market. As at the date hereof, the total number of Nostrum's issued shares is 188,182,958. As part of the proposed Restructuring, Nostrum intends to issue up to 1,505,633,046 new ordinary shares (the "<b>New Shares</b>") and certain number of Warrants (as described in Schedule 1 hereto).</p>											
<b>Information on the Issuer's Management Board:</b>	Pursuant to the Articles of association and the decision of the sole shareholder, the Issuer has formed the Management Board comprising two directors appointed for an indefinite term:											
	<table><tr><th>Name</th><th>Address</th><th>Date of Appointment</th></tr><tr><td>Thomas Hartnett</td><td>Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands</td><td>31 March 2017</td></tr><tr><td>Ulugbek Makhmadiyarov</td><td>Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands</td><td>23 June 2021</td></tr></table>	Name	Address	Date of Appointment	Thomas Hartnett	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	31 March 2017	Ulugbek Makhmadiyarov	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	23 June 2021		
Name	Address	Date of Appointment										
Thomas Hartnett	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	31 March 2017										
Ulugbek Makhmadiyarov	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	23 June 2021										

<b>Auditors</b>	The Issuer is included in the Financial statements of Nostrum as part of the Group. Ernst & Young LLP was the independent auditor and reporting accountant of Nostrum who audited Nostrum's financial statements for the periods ended 31 December 2019, 31 December 2020, 31 December 2021. On 30 September 2022, and following a competitive tender, Ernst & Young LLP resigned as auditor of Group, including the Company. On 25 October 2022, the potential incoming auditor notified Nostrum that it no longer intended to register for the Financial Reporting Council supervision, and, as a result, no longer wished to be appointed as auditor. Nostrum remains in the process of appointing a replacement auditor and is currently in discussions with certain audit firms as to their terms of engagement. Nostrum has not yet appointed an auditor in respect of the financial year ended 31 December 2022, but the board of the directors of Nostrum expects to finalise such appointment during February 2023. Nostrum expects that following the appointment, the audit work will commence in March 2023 and therefore, there is a reasonable prospect that Nostrum will be unable to publish its audited financial statements in respect of
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the financial year ended 31 December 2022 on or before 30 April 2023. Nostrum will update the market on its auditor appointment as well as the timing of publication of its audited financial statements for the 2022 financial year in due course.

## 2.2 What is key financial information regarding the Issuer?

The Issuer is a finance company used by Nostrum to issue external debt to finance the Group's principal activities and is consolidated in Nostrum's Financial Statements. See key financial information for Nostrum below.

### Statement of comprehensive income.

	Nine months ended 30 September 2022	Nine months ended 30 September 2021	Year ended 31 December 2021	Year ended 31 December 2020 (restated)	Year ended 31 December 2019
<i>In thousands of US Dollars</i>					
Revenue .....	155,573	142,665	195,285	175,939	322,128
Cost of sales .....	(61,626)	(66,336)	(87,849)	(125,392)	(172,002)
<b>Gross profit</b> .....	<b>93,947</b>	<b>76,329</b>	<b>107,436</b>	<b>50,547</b>	<b>150,126</b>
General and administrative expenses .....	(8,438)	(8,684)	(12,124)	(14,671)	(21,399)
Selling and transportation expenses .....	(14,830)	(17,424)	(23,066)	(31,037)	(45,875)
Taxes other than income tax .....	(15,577)	(12,397)	(17,083)	(14,113)	(22,886)
Finance costs .....	(94,272)	(80,346)	(116,696)	(102,067)	(43,047)
Employee share options – fair value adjustment .....	-	-	247	496	(584)
Impairment reversal/(charge) .....	-	-	74,186	(286,569)	(1,354,651)
Foreign exchange loss, net .....	17	(600)	(285)	(1,827)	361
Interest income .....	172	183	319	253	86
Other income .....	3,062	4,759	5,886	4,757	7,210
Other expenses .....	(3,555)	(1,556)	(13,218)	(7,606)	(12,490)
<b>Profit/(loss) before income tax</b> .....	<b>(39,474)</b>	<b>(39,736)</b>	<b>5,602</b>	<b>(401,837)</b>	<b>(1,343,149)</b>
Income tax (expense)/benefit .....	(21,427)	(12,489)	(31,720)	37,478	353,222
<b>Loss for the year/period</b> .....	<b>(60,901)</b>	<b>(52,225)</b>	<b>(26,118)</b>	<b>(364,359)</b>	<b>(989,927)</b>
Currency translation difference .....	(314)	508	(203)	253	211
<b>Total comprehensive loss for the year/period</b> .....	<b>(61,215)</b>	<b>(51,717)</b>	<b>(26,321)</b>	<b>(364,106)</b>	<b>(989,716)</b>

### Statement of Financial Position.

	Nine months ended 30 September 2022	Nine months ended 30 September 2021	Year ended 31 December 2021	Year ended 31 December 2020 (restated)	Year ended 31 December 2019
<i>In thousands of US Dollars</i>					
<b>Assets</b>					
Non-current assets .....	324,343	329,602	351,981	330,162	673,136
Current assets .....	278,301	194,643	213,327	133,610	173,158
<b>TOTAL ASSETS</b> .....	<b>602,644</b>	<b>524,245</b>	<b>565,308</b>	<b>463,772</b>	<b>846,294</b>
<b>Equity and liabilities</b>					
Share capital and reserves .....	(884,468)	(815,799)	(823,253)	(796,685)	(432,627)
Non-current liabilities .....	88,631	52,041	67,643	37,596	1,176,453
Current liabilities .....	1,398,481	1,288,003	1,320,918	1,222,861	101,925
<b>TOTAL EQUITY AND LIABILITIES</b> .....	<b>602,644</b>	<b>524,245</b>	<b>565,308</b>	<b>463,772</b>	<b>846,294</b>

### Statement of cash flows

	Nine months ended 30 September 2022	Nine months ended 30 September 2021	Year ended 31 December 2021	Year ended 31 December 2020 (restated)	Year ended 31 December 2019
<i>In thousands of US Dollars</i>					
Operating profit before working capital changes	94,655	86,345	113,054	76,435	189,757
Cash generated from operations	70,809	87,650	120,086	84,742	202,314
Income tax paid	(853)	(2,236)	(2,671)	(1,996)	(5,477)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>69,956</b>	<b>85,414</b>	<b>117,415</b>	<b>82,746</b>	<b>196,837</b>
Net cash used in investing activities	(10,647)	(14,276)	(19,778)	(40,101)	(120,990)
Net cash used in financing activities	(13,733)	(7,780)	(10,862)	(58,431)	(103,709)
Effects of exchange rate changes on cash and cash equivalents	(604)	174	(112)	429	49
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>44,972</b>	<b>63,532</b>	<b>86,663</b>	<b>(15,357)</b>	<b>(27,813)</b>
Cash and cash equivalents at the beginning of the year/period	165,246	78,583	78,583	93,940	121,753

CASH AND EQUIVALENTS AT THE END OF THE YEAR/PERIOD	210,218	142,115	165,246	78,583	93,940
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On 27 January 2023, Nostrum released an operational update for the year ended 31 December 2022, including the following operational and financial information for the period:

Operational	Financial
<ul style="list-style-type: none"> <li>Daily production after treatment averaged 13,200 boepd (2021: 17,032 boepd).</li> <li>Daily sales volumes averaged 12,524 boepd (2021: 15,330 boepd).</li> <li>The Group continued to execute its well and reservoir management strategy through well workovers and rigless well intervention in 2022.</li> <li>The Group has initiated a tie-back project, budgeted for c.US\$5m of capital expenditures, that will allow for the first ever third-party feedstock from Ural Oil &amp; Gas LLP ("Ural OG") to be received for treatment in the Group's facilities that is expected to start in Q4 2023.</li> <li>The Directors are cognisant of the current and evolving sanctions list against Russian individuals and entities and have ensured the Group has conducted ongoing operations in compliance with these sanctions.</li> </ul> <p>The Group continues to prioritise the safety of all staff and contractors as well as focussing on running sustainable operations.</p>	<ul style="list-style-type: none"> <li>FY revenues expected to be in excess of US\$199m against average 2022 Brent prices of US\$99/bbl (2021: revenues of US\$195.3m, average Brent price of US\$71/bbl).</li> <li>Exported crude oil and condensate have been facing large Urals discounts. Starting from 2023, the Company has updated its off-take agreements which should help reduce the discount and further strengthen the netbacks.</li> <li>The Group's unrestricted cash position as at 31 December 2022 was in excess of US\$233m (30 September 2022: US\$210.2m). US\$22.7m remained held in a restricted account as at 31 December 2022 under the terms of the Forbearance Agreement.</li> <li>The Group continued focusing on its cost optimisation to help manage liquidity by achieving FY2022 operating costs and general administrative expenses basis of US\$45.5 million.</li> <li>The US\$725m 8.0% senior notes maturity date was 25 July 2022. Due to the ongoing restructuring, which includes the previously announced lock-up agreements and forbearance agreements entered into by certain holders of the notes, the Company did not take any further action following the maturity date of those notes.</li> </ul>

**Selected pro forma financial information.** No pro forma financial information has been included in this Prospectus.

**Qualifications to the audit report.** Audited financial statements for years ending 31 December 2021, 31 December 2020 and 31 December 2019 (the "Financial statements") have been audited by Ernst & Young LLP. The Financial statements were prepared in accordance with the International Financial Reporting Standards (the "IFRS"). The audit report in respect of each of the financial years ended 31 December 2021 and 31 December 2020 included a statement of material uncertainty related to going concern. For 2021, the remaining conditions to implement the Restructuring (which were outside of the Company's control) indicated that a material uncertainty existed that may cast significant doubt on the Group's ability to continue as a going concern. For 2020, the agreement on the terms of a restructuring of Nostrum's Existing Notes as well as being able to obtain the necessary consents and waivers, (which were outside of the Company's control) indicated that a material uncertainty existed that may cast significant doubt on the Group's ability to continue as a going concern. The audit opinions for each year were not modified in respect of these matter.

The audit report in respect of the financial year ended 31 December 2019 included a disclaimer of opinion. The audit report did not include an opinion on the financial statements of the Group and Company. At the date of the audit report, while the Group needed to negotiate with bondholders and shareholders in respect of the restructuring of the Group's outstanding bonds, engagement with bondholders had not yet commenced. Consequently, we were unable to obtain sufficient appropriate audit evidence to support the assumption that a restructuring of the Group's bonds, including the deferral of associated interest due in the going concern period, is achievable in the necessary timeframe to provide a basis for us to issue an audit opinion on these financial statements.

The unaudited consolidated financial statements of the Group included in the Interim Financial Report for the periods from 1 January 2022 to 30 September 2022 (the "Interim Financial Report 2022") were prepared in accordance with the IFRS and were not audited. On 30 September 2022, and following a competitive tender, Ernst & Young LLP resigned as auditor of the Company. On 25 October 2022, the potential incoming auditor notified the Company that it no longer intended to register for the Financial Reporting Council supervision, and, as a result, no longer wished to be appointed as auditor. The Company remains in the process of appointing a replacement auditor and is currently in discussions with certain audit firms as to their terms of engagement. The Company has not yet appointed an auditor in respect of the financial year ended 31 December 2022, but the board of the directors of the Company expects to finalise such appointment during February 2023. The Company expects that following the appointment, the audit work will commence in March 2023 and therefore, there is a reasonable prospect that the Company will be unable to publish its audited financial statements in respect of the financial year ended 31 December 2022 on or before 30 April 2023. The Company will update the market on its auditor appointment as well as the timing of publication of its audited financial statements for the 2022 financial year in due course.

## 2.3 What are the key risks that are specific to the Issuer?

The following is a summary of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Issuer and the Group's business, financial condition, results of operations and prospects. In making the selection, the Group has considered circumstances such as the probability of the risk materialising, the potential impact which the materialisation of the risk could have on the Group's business, financial condition, and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

1. The Restructuring is subject to a number of conditions that must be satisfied in order for it to proceed; failure to fulfil any one of these conditions will result in the Restructuring not proceeding.
2. The Group requires various licences in respect of the implementation of the Restructuring as certain Noteholders are subject to economic sanctions; failure to obtain any of these licences will result in the Restructuring not proceeding.
3. If the Restructuring does not proceed, the ability of members of the Group to continue trading will depend on ongoing support from the Noteholders and/or the members of the Group may face insolvency proceedings.
4. Even if the Restructuring does proceed Nostrum may be unable to return any value to Shareholders.
5. The Group's future strategy and viability relies on the strategic tie-up of third-party gas and/or development of stranded resources in the region.
6. The Group has, and following the Restructuring will continue to have, a significant amount of indebtedness which limits its financial and operational flexibility.
7. The Group's business requires significant capital expenditures in order to maintain its production levels and improve overall efficiency. In addition, the future expansion and development of the Group's business could require further debt and equity financing. The future availability of such funding is not certain and immediately following completion of the Restructuring, the Group's cash balances will be reduced.
8. The Group's debt service obligations and requirements to comply with related covenants may adversely affect its business, prospects, financial condition and results of operations.
9. The Group's principal activities are conducted within the Chinarevskoye Field. The field, which is mature and experiences natural reservoir decline, is currently the Group's sole source of revenue.
10. The Russia-Ukraine conflict and sanctions imposed against Russia and certain Russian companies and individuals may disrupt sales of the Group's oil and gas products that are transported through Russia, or the ability for the Group to import materials from Russia, and an economic downturn in Russia may reduce demand for the Group's products, which may have a material adverse effect on the Group.
11. Oil and gas prices are volatile and have fluctuated considerably in recent years, which has had, and may continue to have, a significant impact on the Group.
12. Climate change abatement legislation may have a material adverse effect on the oil and gas industry.
13. The Group is obliged to comply with environmental regulations and cannot guarantee that it will be able to comply with these regulations in the future.

### 3. Key Information on the Securities

#### 3.1 What are the main features on the Securities?

<b>The Issue</b>	U.S.\$250,000,000 5% SSNs due 2026, U.S.\$ 300,000,000 1% SUNs due 2026, in the denomination of U.S.\$1000 each, PIK SUNs
<b>Currency and Minimum Denomination:</b>	<p>The Notes will be denominated in USD.</p> <p>The SSNs shall be issued in minimum denominations of U.S.\$1,000 and integral multiples of U.S.\$1,000 in excess thereof.</p> <p>The SUNs shall be issued in minimum denominations of U.S.\$1,000 and integral multiples of U.S.\$1 in excess thereof.</p>
<b>Quantity</b>	250,000 SSNs and 300,000 SUNs plus PIK SUNs.
<b>Issue price range</b>	The issue price of the Notes is expected to be 100.00% of the principal value of the Notes.
<b>Rights attached to the Securities</b>	<p>The Noteholders (both the SUNs and the SSNs) have the right to, <i>inter alia</i>:</p> <ul style="list-style-type: none"> <li>• receive coupon payments;</li> <li>• receive Nominal value upon redemption and at Maturity Date;</li> <li>• freely transfer the Notes in accordance with the Trust Deeds;</li> <li>• receive information concerning the Issuer's operations;</li> <li>• attend, participate in and vote at meetings of Noteholders in accordance with the terms and conditions of the Note; and</li> <li>• If any of the Events of Default, require that the Notes shall immediately become due and repayable at their par value together with accrued coupon interest, subject to the provisions of the Trust Deeds.</li> </ul> <p>Additionally,</p> <ul style="list-style-type: none"> <li>• holders of the SSNs have the right to foreclose on the collateral granted pursuant to a security for SSNs;</li> <li>• holders of the SUNs have the right to be allotted the Warrants to be issued by Nostrum granting the holders (or their nominees) the right to subscribe for new ordinary shares of Nostrum, upon exercise.</li> </ul>
<b>Warrants tradable alongside the SUNs (for more details please see the Schedule 1):</b>	The Warrants will be issued to the GLAS Trust Company LLC as warrant trustee (the "Warrant Trustee") in such amount as will, upon exercise in full, result in the issue of the Warrant Shares (being ordinary shares) at their nominal value to the holders of the Existing Notes (or their nominee(s)) so as to increase the aggregate entitlement of holders of the Existing Notes, or their nominee(s), to ordinary shares from 88.89% to 90%, based upon the pro forma capitalisation of the Issuer immediately following Closing (but excluding entitlements under any new management incentive plan, long-term incentive plan or similar share scheme).

<b>Issuer:</b>	Nostrum Oil & Gas Finance B.V.
<b>Description of placement:</b>	The placement of the Notes will be made on a non-syndicated basis as part of a scheme of arrangement with respect to holders of the Existing Notes in accordance with the Restructuring, which was approved by the shareholders of Nostrum on 29 April 2022 and sanctioned by the High Court of Justice of England and Wales on 26 August 2022.
<b>Bookrunner:</b>	JSC Halyk Finance registered at Republic of Kazakhstan, A05A1B9, Almaty, Abay Avenue, 109 B, 5th floor as Bookrunner. The Bookrunner will provide book-building services on the AIX on a best-efforts basis based on the agreement entered into between Nostrum and the Bookrunner dated 13 December 2022.
<b>Listing:</b>	<p>The Issuer will not seek admission of the Notes and the Warrant Issuer will not seek admission of the Warrants to the official list of and to trading on the AIX due to the fact that Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum's ordinary shares to be admitted to the official list of the AIX.</p> <p>The Issuer intends to seek admission of the Notes, and the Warrant Issuer intends to seek admission of the Warrants, to the official list of TISE, Channel Islands, in connection with the TISE Admission. The TISE Admission is expected to become effective in the first half of February 2023.</p>
<b>Size:</b>	<p>(i) U.S.\$250,000,000 in aggregate principal amount of SSNs;</p> <p>(ii) U.S.\$300,000,000 in aggregate principal amount of Original SUNs; and</p> <p>(iii) Unlimited aggregate principal amount of SUN PIK Notes.</p>
<b>ISIN:</b>	<b>SUNs</b> (will be used for the purposes of the Offer): US66978CAD48; USN64884AE41; and the <b>SSNs</b> : US66978CAF95; USN64884AF16.
<b>LEI:</b>	213800SGF6UKA42KSB50
<b>Purpose:</b>	The Notes will be issued to holders of Existing Notes (the <b>"Existing Noteholders"</b> ) for the purpose of the proposed Restructuring of the Existing Notes and guaranteed by certain members of the Group.
<b>Security and guarantee:</b>	<p>The SSNs are secured, subject to complying with the regulatory requirements in Kazakhstan, by first-ranking security interests over all of the assets of the Group including, but not limited to: (a) share pledge over each material subsidiary; (b) floating charge over the Nostrum's assets; and (c) account security over key operational bank accounts.</p> <p>The SUNs are unsecured other than receiving a second ranking security interest in a debt service retention account and a blocked bank account in favour of the trustee for the Notes.</p> <p>The Notes are guaranteed on a senior basis by Nostrum (LEI 2138007VWEP4MM3J8B29), NOG Cooperatief (No LEI), NOG BV (LEI 213800SGF6UKA42KSB50) and Zhaikmunai (635400PTK7IKNBHPQ33) and by pledge agreements over certain assets of the Group, including, but not limited, to pledge agreements over the movable and immovable assets of Zhaikmunai.</p> <p>The Group is an independent oil and gas company engaged in the production, development and exploration of oil and gas products in the pre-Caspian Basin. NOG Cooperatief, NOG BV and Zhaikmunai are subsidiaries of Nostrum and are the part of the Group. The relevant financial information of the Group is consolidated in Nostrum's Financial Statements. See key financial information for Nostrum in section 2.2 (<i>"What is key financial information regarding the Issuer?"</i>) of this Prospectus Summary.</p> <p>The most material risk factors pertaining to the Group is indicated in section 3.3 (<i>"What are the key risks specific to the Securities?"</i>) of this Prospectus Summary.</p>
<b>Form:</b>	<p>The Notes will be issued in registered form issued on a dollar for dollar basis. The Notes will initially be represented by a Regulation S Global Certificate and a Private Placement Global Certificate in the aggregate principal amount of U.S.\$250,000,000 SSNs and \$300,000,000 SUNs plus PIK SUNs.</p> <p>Each of the Global Certificates shall be deposited with the Depository Trust Company (the <b>"DTC"</b>). The Global Certificates will be exchangeable for Definitive Certificates only in the circumstances set out in the Global Certificates. The Definitive Certificates, if issued, will be printed in accordance with the requirements of the applicable laws of the jurisdiction and applicable stock exchange where the Notes are listed and will be substantially in the form set out in the Trust Deeds.</p>
<b>Status and ranking of the Notes:</b>	<p>The SSNs shall constitute senior secured debt obligations of the Issuer and shall rank (a) <i>pari passu</i> between themselves and all other indebtedness of the Issuer, but (b) senior to the SUNs.</p> <p>The SUNs shall constitute senior debt obligations of the Issuer and shall rank (a) <i>pari passu</i> between themselves and all other senior indebtedness of the Issuer, but (b) junior to the SSNs.</p> <p>The rights of the holders of the Notes and the obligations of the Issuer in respect of the Notes shall be subject in all respects to the provisions of the documents instituting the Notes.</p>
<b>Transfer of the Notes:</b>	The Notes may be transferred in accordance with the requirements of the clearing systems and subject to the provisions of the Trust Deed.
<b>Issue price:</b>	100%.
<b>Offer price:</b>	U.S.\$1,000

<b>Payment of purchase price:</b>	No cash payments will be made. The Notes will be allotted to holders of the Existing Notes pro rata to their holding of the Existing Notes in exchange for a portion of the principal amount (but not the accrued interest) of the Group's debt under the Existing Notes.
<b>Settlement:</b>	The Notes will be deposited in the DTC and will not be deposited in the Astana International Exchange Central Depository (the "AIX CSD").
<b>Redemption:</b>	From the Issue Date, the Notes will be redeemable at par, plus accrued and unpaid interest.
<b>Maturity date:</b>	30 June 2026.
<b>Interest:</b>	<p>The SSNs will be interest-bearing at a rate of 5.00 per cent cash.</p> <p>The SUNs will be interest-bearing at a rate of 1.00 per cent cash and 13.00 per cent payment in kind interest.</p> <p>Interest will be payable semi-annually on 30 June and 31 December of each year in accordance with Trust Deed depending on the Issue Date (Interest Payment Date). The first payment shall be made on 30 June 2023 and provided that on or prior to the date no more than 15 business days following the Issue Date, the accrued but unpaid interest between 1 January 2022 and the Issue Date shall be paid on the Notes.</p>
<b>SUN PIK Notes</b>	On the applicable Interest Payment Date, the Issuer may issue to the holders of any SUNs further SUN PIK Notes in a nominal amount equal to the amount of interest to be paid. All such SUN PIK Notes shall rank pari passu in all respects (save for the first Interest Period in respect thereof, which shall commence on the date of issue of such SUN PIK Notes) so as to form a single series with the existing SUNs. Such SUN PIK Notes shall be deemed to have been constituted on the same terms as the existing SUNs.
<b>Governing law:</b>	The law of England and Wales.

### 3.2 Where will the Securities be traded?

The Notes will not be admitted to trading on the AIX. The Notes will be admitted to listing on the TISE.

### 3.3 What are the key risks specific to the Securities?

1. The Notes are subject to modification, waivers and substitution.
2. The Noteholders may be subject to exchange rate risks and currency controls.
3. The market price of the Notes may be volatile.
4. There is no market for the Notes and there can be no assurance that any secondary market will provide the holders of any Notes with liquidity of investment or will continue for the life of such Notes.
5. There can be no assurance of return of capital or any rate of return or profit.
6. The Issuer's prospects are dependent on the performance of the Nostrum and its subsidiaries
7. The amount and timing of payment of the principal and interest on the Notes will depend upon the financial performance of the Issuer.
8. The Issuer will have: (a) no material assets other than certain interests in group claims; and (b) no material revenue.
9. There can be no assurance that the Issuer will not issue or incur further debt which will rank senior to the Notes.
10. The structure of the issue of the Notes is based on law in effect as at the date of this Prospectus.

The Issuer believes that the risks described above are some of the principal risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and neither the Issuer nor any other person or entity represents that the above statements regarding the risk of holding the Notes are exhaustive.

## 4. Key information on the admission to trading

### 4.1 Under which conditions and timetable can I invest in this Security?

<b>Admission to trading</b>	<p>The Issuer will not seek admission of the Notes to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible in Nostrum's ordinary shares to be admitted to the official list of the AIX.</p> <p>The Issuer intends to seek admission of the Notes to the official List of TISE, Channel Islands in connection with the TISE Admission. The TISE Admission is expected to become effective in the first half of February 2023.</p>
<b>Plan for distribution</b>	The Notes will be allotted to holders of the Existing Notes pro rata to their holding of the Existing Notes in exchange for a portion of the principal amount (but not the accrued interest) of the Group's debt under the Existing Notes.
<b>Selling restrictions</b>	<p>The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and accordingly it may not be offered, sold, pledged or otherwise delivered in the United States in the absence of such registration or except pursuant to an exemption from the registration requirements of the Securities Act.</p> <p>A Note may be transferred by depositing the Definitive Certificate issued in respect of that Note, together with a transfer certificate substantially in the form of Schedule 2 to the Agency Agreement duly completed and</p>

signed, at the specified office of GLAS Trust Company LLC (the “**Registrar**”) or any of the Agents (as defined in the Trust Deeds).

Neither the part transferred nor the balance not transferred may be less than U.S.\$200,000, except that if all of the Notes of a Noteholder are to be transferred, the entire outstanding amount of Notes held by such Noteholder may be transferred even if less than U.S.\$200,000.

A Note may only be transferred to a new holder resident, domiciled or with a registered office in any Member State of the European Economic Area or in the United Kingdom, if the transferee is a “Qualified Investor” within the meaning of Regulation (EU) 2017/1129, including as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended (the “**Prospectus Regulation**”) (as summarised below) or the transfer otherwise falls within the scope of any other applicable exemption under Article 1(4) of the Prospectus Regulation.

Qualified Investors include (in summary) an (i) entity required to be authorised or regulated to operate in the financial markets, such as (among others) an investment firm, credit institution or an asset manager; (ii) a large undertaking meeting certain quantitative thresholds relating to balance sheet, net turnover and own funds; (iii) a national or regional government, a public body that manages public debt (excluding local authorities), a central bank or an international or supranational institution; or (iv) any other institutional investor whose main activity is to invest in financial instruments.

*Whilst the Notes may only be traded in denominations of U.S.\$200,000 and multiples of U.S.\$1, for the purposes of DTC and the International Central Securities Depositories (the “**ICSDs**”) the denominations are considered as U.S.\$1. For the avoidance of doubt, DTC and the ICSDs are not required to monitor or enforce the minimum amount.*

<b>Estimated Expenses</b>	The total commissions, fees and expenses payable in connection with the Restructuring will be approximately US\$35-45 million excluding US\$22.7 million transferred to a blocked account under the terms of the forbearance agreement signed with the ad hoc group of holders of the Existing Notes during the Restructuring process.
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#### **4.2 Who is the person asking for admission to trading?**

The Issuer intends to seek admission of the Notes and the Warrant Issuer intends to seek admission of the Warrants to the official List of TISE, Channel Islands, in connection with TISE Admission. The TISE Admission is expected to become effective in first half of February 2023.

The Issuer will not seek admission of the Notes and Nostrum will not seek admission of the Warrants related to the SUNs to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum’s ordinary shares to be admitted to the official list of the AIX.

#### **4.3 Why is this Prospectus being produced?**

This Prospectus has been produced in connection with the Offer of the SUNs on the AIX.

<b>Reasons for the Issuance / Use of Proceeds</b>	The Notes will be issued to the Existing Noteholders for the purpose of restructuring the Issuer’s Existing Notes guaranteed by, among others, Nostrum.
<b>Estimated net amount of proceeds</b>	There will be no proceeds from the issuance and allotment of the Notes. Issuance and allotment of the Notes will repay a portion of the Issuer’s debt under the Existing Notes in the amount of U.S.\$550,000,000 pursuant to the terms of the Restructuring.
<b>Conflict of interest</b>	No person involved in the Offer has any interest in the Offer, which is material to the Offer.

## REGISTRATION DOCUMENT

### 1. Information about the Issuer

#### 1.1 General information

<b>The full legal and commercial name of the Issuer</b>	Nostrum Oil & Gas Finance B.V., registered with the Trade Register of the Dutch Chamber of Commerce under number 68446705.
<b>Legal form of the Issuer</b>	a private limited liability company ( <i>besloten vennootschap</i> )
<b>The country of incorporation of the Issuer</b>	The Netherlands
<b>Date of incorporation</b>	31 March 2017
<b>Registered address and contact details</b>	Bloemendaalsweg 139 Hofstede Sparrenheuvel 2061CH Bloemendaal, The Netherlands, email: <a href="mailto:hartnett@nog.co.uk">hartnett@nog.co.uk</a> , telephone number: + 44 203 740 7430.

#### 1.2 Investments

There were no substantial investment activities carried out by the Issuer and the Group during the course of 2022, 2021 and 2020. Please refer to Section 3 (*Business Strategy*) of Part 7 (Information on the Group) of the LSE Prospectus for information on the Group's view with respect to its business strategy and investments of the Group following the Effective Date of the Restructuring.

#### 1.3 Information on the Restructuring

Please refer to Part 6 (*Information on the Restructuring*) of the LSE Prospectus for a description of the background, objectives and details of the proposed Restructuring.

### 2. Operational financial overview

#### 2.1 History of the Issuer

The Issuer's legal and commercial name is Nostrum Oil & Gas Finance B.V. The Issuer was organized as the private limited liability company (*besloten vennootschap*) under the laws of the Netherlands on 31 March 2017. The Issuer's Trade Register of the Dutch Chamber of Commerce number is 68446705.

Issuer is a wholly-owned subsidiary of Nostrum and is the part of the Group.

Please refer to Part 7 (*Information of the Group*) of the LSE Prospectus for information about Nostrum and the Group.

#### 2.2 Actual and proposed business activities

The Issuer's principal business activities are: (1) financing the activities of the Group and borrowing funds through note issues, bank financing or other means and (2) furnishing guarantees, providing security or assuming liability for or in respect of the obligations of the Group or third parties in any other way.

The Issuer has: (a) no material assets other than certain interests in group claims; and (b) no material revenue.

The Issuer is the co-issuer of the Existing Notes.

See Part 7 (*Information on the Group*) and Part 12 (*Operating and Financial Review*) of the LSE Prospectus.

### **2.3 Description of important events in the development of the Issuer's business**

Due to the Issuer's business activities, there is no important events in the development of the Issuer's business.

Please refer to Part 11 (*Current Trading and Recent Developments*) of the LSE Prospectus.

### **2.4 Key risk factors relating to, the nature of the Issuer's operations and its principal activities**

Please refer to Part 2 (*Risk Factors*) of the LSE Prospectus.

### **2.5 Significant new products and/or services that have been introduced by the Issuer**

Due to the Group's business activities being limited to exploration and production of oil and gas products and the Issuer's principal activities being financing the Group's business activities, there are no any significant new products and/or services that have been introduced by the Issuer and Group, respectively.

### **2.6 Principal markets in which Issuer operates**

Please refer to Part 7 (*Information on the Group*) of the LSE Prospectus.

### **2.7 Most significant recent trends in production, sales and inventory, and costs and selling prices**

Please refer to Part 11 (*Current Trading and Recent Developments*) of the LSE Prospectus.

## **3. Articles of association and organizational structure**

### **3.1 Articles of association**

#### ***Issuer's objectives and purpose and where they can be found in the Articles of association***

The Issuer's objectives and purpose can be found in clause 3 of the Articles of association of the Issuer dated 31 March 2017 (as amended on 3 October 2022) and comprise two main activities: (1) financing the activities of the Group and borrowing funds through note issues, bank financing or other means and (2) furnishing guarantees, providing security or assuming liability for or in respect of the obligations of the Group or third parties in any other way.

#### ***The rights, preferences and restrictions attaching to shares of the Issuer***

The Issuer's legal form is the private liability company (*besloten vennootschap met beperkte aansprakelijkheid*) and the Issuer currently does not have any equity securities issued.

The sole shareholder of the Issuer is entitled to:

- take part in management of the Issuer's affairs, to obtain information concerning activities of the Issuer;
- derive incomes from activities of the Issuer in accordance with the applicable law, the constituent documents and its resolutions as the Issuer;
- in case of liquidation of the Issuer, to receive value of a part of the property remaining after settlement of payments with creditors or a part of that property in kind;

- retire from the Issuer by alienating its interest according to the procedure provided by applicable law and Articles of association; and

The sole shareholder also shall have other rights provided by the constituent documents of the Issuer and the laws of the Netherlands.

The current activities of the Issuer are managed by the management board (the “**Management Board**”), which is accountable to the sole shareholder for the discharge of its duties. The Management Board consists of directors, the number of which is determined by the general meeting. Currently the Management Board consists of two directors.

The Management Board is entitled to:

- manage daily operations of the Issuer;
- represent the Issuer in its dealing with third parties (with each director also being authorised to solely represent the Issuer);
- adopt rules and regulations governing its decision-making process;
- hear the report of the accountant who audited the Issuer’s accounts;
- call a general meeting of the shareholders (with each managing director also being solely authorised to call a general meeting); and
- exercise other rights stipulated by the law of the Netherlands, the Articles of association and internal regulations of the Issuer.

Decisions at a meeting of the Management Board are made by the absolute majority of votes of the members of the Management Board present at such meeting. In the event of a tie, none of the directors has a casting vote.

***What action is necessary to change the rights of holders of the Securities, indicating where the conditions are more significant than is required by any law applicable to the Issuer***

The Issuer does not have any equity securities issued to the public.

***Any provisions in the Articles of association, governing the ownership threshold above which shareholder ownership must be disclosed***

There are no provisions in the Articles of association, governing the ownership threshold above which shareholder ownership must be disclosed.

***The conditions imposed by the Articles of association governing changes in the capital, where such conditions are more stringent than is required by law applicable to the Issuer***

No conditions imposed by the Articles of association governing changes in the capital are more stringent than is required by law applicable to the Issuer.

### **3.2 Group Structure, Issuer’s positions within the Group and the ultimate Holding Company of the Issuer**

Please refer to Nostrum Group structure chart as at 31 December 2021 on page 188 of Nostrum’s 2021 Report.

### **3.3 Group activities**

The Group’s primary activity is the production, development and exploration of oil and gas products in the pre-Caspian Basin. The Group’s primary field and licence area is the Chinarevskoye Field located in the northern part of the oil rich pre-Caspian Basin. The Group had average daily production volumes

of 17,032 boepd for the year ended 31 December 2021, marginally exceeding its 2021 guidance of 17,000 boepd. Based on the 2021 Ryder Scott reserves audit, as at 31 December 2021, the estimated gross proved plus probable hydrocarbon reserves at the Chinarevskoye Field were 34.3 million boe. These estimated reserves comprise proven reserves of 26.2 million boe and probable reserves of 8.1 million boe. Oil and condensate amounted to 14.6 million barrels of oil equivalent of proven and probable reserves, plant products of 4.0 million barrels of oil equivalent and gas (after shrink) of 15.8 million barrels of oil equivalent.

On 27 January 2023, Nostrum released an operational update for the year ended 31 December 2022, including the following operational and financial information for the period:

Operational	Financial
<ul style="list-style-type: none"> <li>Daily production after treatment averaged 13,200 boepd (2021: 17,032 boepd).</li> <li>Daily sales volumes averaged 12,524 boepd (2021: 15,330 boepd).</li> <li>The Group continued to execute its well and reservoir management strategy through well workovers and rigless well intervention in 2022.</li> <li>The Group has initiated a tie-back project, budgeted for c.US\$5m of capital expenditures, that will allow for the first ever third-party feedstock from Ural Oil &amp; Gas LLP ("Ural OG") to be received for treatment in the Group's facilities that is expected to start in Q4 2023.</li> <li>The Directors are cognisant of the current and evolving sanctions list against Russian individuals and entities and have ensured the Group has conducted ongoing operations in compliance with these sanctions.</li> <li>The Group continues to prioritise the safety of all staff and contractors as well as focussing on running sustainable operations.</li> </ul>	<ul style="list-style-type: none"> <li>FY revenues expected to be in excess of US\$199m against average 2022 Brent prices of US\$99/bbl (2021: revenues of US\$195.3m, average Brent price of US\$71/bbl).</li> <li>Exported crude oil and condensate have been facing large Urals discounts. Starting from 2023, the Company has updated its off-take agreements which should help reduce the discount and further strengthen the netbacks.</li> <li>The Group's unrestricted cash position as at 31 December 2022 was in excess of US\$233m (30 September 2022: US\$210.2m). US\$22.7m remained held in a restricted account as at 31 December 2022 under the terms of the Forbearance Agreement.</li> <li>The Group continued focusing on its cost optimisation to help manage liquidity by achieving FY2022 operating costs and general administrative expenses basis of US\$45.5 million.</li> <li>The US\$725m 8.0% senior notes maturity date was 25 July 2022. Due to the ongoing restructuring, which includes the previously announced lock-up agreements and forbearance agreements entered into by certain holders of the notes, the Company did not take any further action following the maturity date of those notes.</li> </ul>

#### 4. Assets

##### 4.1 Material contracts

###### (1) Material contracts of the Issuer

###### *Senior Secured Notes Trust Deed*

The Issuer will be a party to the SSN Trust Deed to be made on or about 9 February 2023 between (1) the Issuer as issuer; (2) certain affiliates of the Issuer as guarantors; (3) GLAS Trustees Limited as trustee; and (4) GLAS Trust Corporation Limited as security trustee.

The SSNs are to be issued pursuant to the terms of the SSN Trust Deed.

The SSN Trust Deed contains the economic terms of the SSNs, as well as the applicable covenants which apply to the Issuer and its subsidiaries.

- *Economic terms of the SSNs contained in the SSN Trust Deed*

The economic terms of the Notes are that they are 5% Senior Secured Notes due 2026, to be issued in Q4 2022, and due on 30 June 2026. The SSNs are secured and guaranteed as described below.

Under the SSN Trust Deed, the SSNs can be repaid prior to their maturity date at par value.

All redemptions are payable with accrued but unpaid interest to the date of redemption.

- *Covenants contained in the SSN Trust Deed*

The SSN Trust Deed contains certain negative covenants. The negative covenants include restrictions, among others, with respect to: (i) granting liens, (ii) incurrence of additional indebtedness, (iii) restricted payments and/or investments, (iv) asset sales, (v) certain mergers, (vi) change of control, (vii) transactions with affiliates and (viii) granting guarantees of certain indebtedness. Each of the foregoing is subject to customary materiality or other qualifications and exceptions.

- *Change of Control Repurchase Offers*

The Issuer is required to make a change of control offer at a price of 101% if a change of control event (as defined in the SSN Trust Deed) occurs.

- *Other Terms*

The SSN Trust Deed contains Events of Default that are customary for such financings, subject to customary materiality and other qualifications and exceptions.

- *Guarantees and Collateral*

The SSNs are guaranteed on a pari passu basis by the Guarantors and are secured on an equal and ratable basis by the collateral.

The Guarantors of the SSNs are:

Nostrum, NOG Coöperatief, Zhaikmunai and NOG BV.

Guarantees of the SSNs may be released in accordance with the terms of applicable debt documents.

The collateral securing the SSNs comprises, subject to certain exclusions and limitations, security over all or substantially all assets of the Issuer and its subsidiaries on pari passu basis. As is typical, the relevant collateral documents are governed by the laws relating to the assets or to which the grantors are subject, and contain various exceptions, qualifications and materiality thresholds in relation to the applicable security being granted.

- *Governing law*

The SSN Trust Deed is governed by the laws of England.

***Senior Unsecured Notes Trust Deed***

The Issuer will be a party to the SUN Trust Deed to be made on or about 9 February 2023 between (1) the Issuer as issuer; (2) certain affiliates of the Issuer as guarantors; (3) GLAS Trustees Limited as trustee; and (4) GLAS Trust Corporation Limited as security trustee.

The SUNs are to be issued pursuant to the terms of the SUN Trust Deed.

The SUN Trust Deed contains the economic terms of the SUNs, as well as the applicable covenants which apply to the Issuer and its subsidiaries.

- *Economic terms of the SUNs contained in the SUN Trust Deed*

The economic terms of the Notes are that they are 1% cash payment / 13% payment-in-kind Senior Unsecured Notes due 2026, to be issued in Q4 2022, and due on 30 June 2026. The SUNs are guaranteed as described below.

Under the SUN Trust Deed, the SUNs can be repaid prior to their maturity date at par value.

All redemptions are payable with accrued but unpaid interest to the date of redemption.

- *Covenants contained in the SUN Trust Deed*

The SUN Trust Deed contains certain negative covenants. The negative covenants include restrictions, among others, with respect to: (i) granting liens, (ii) incurrence of additional indebtedness, (iii) restricted payments and/or investments, (iv) asset sales, (v) certain mergers, (vi) change of control, (vii) transactions with affiliates and (viii) granting guarantees of certain indebtedness. Each of the foregoing is subject to customary materiality or other qualifications and exceptions.

- *Change of Control Repurchase Offers*

The Issuer is required to make a change of control offer at a price of 101% if a change of control event (as defined in the SUN Trust Deed) occurs.

- *Other Terms*

The SUN Trust Deed contains Events of Default that are customary for such financings, subject to customary materiality and other qualifications and exceptions.

- *Guarantees and Collateral*

The SUNs are guaranteed on a pari passu basis by the Guarantors.

The Guarantors of the SUNs are:

Nostrum, NOG Coöperatief, Zhaikmunai and NOG BV.

Guarantees of the SUNs may be released in accordance with the terms of applicable debt documents.

The collateral securing the SUNs comprises a second-ranking security interest behind the SSNs and any permitted liens. The collateral consists of an English law Blocked Account Agreement and English law Account Control Agreement in respect of a debt service reserve account. As is typical, the relevant collateral documents are governed by the laws relating to the assets or to which the grantors are subject, and contain various exceptions, qualifications and materiality thresholds in relation to the applicable security being granted.

- *Governing law*

The SUN Trust Deed is governed by the laws of England.

***Intercreditor Agreement***

The Issuer will be a party to an Intercreditor Agreement (the “**Intercreditor Agreement**”) to be made on or about 9 February 2023 between (1) the Issuer; (2) Nostrum as the Parent; (3) certain subsidiaries of Nostrum as debtors, (4) certain companies as intra-group lenders, (5) GLAS Trustees Limited as SSN Trustee and SUN Trustee and (6) GLAS Trust Corporation Limited as Security Agent.

The Intercreditor Agreement sets out the terms on which the Security Agent holds the security on behalf of various creditors, including those under the SSN Trust Deed and the SUN Trust Deed.

- *Application of Proceeds*

It is a term of the Intercreditor Agreement that the net proceeds of enforcement of the security comprising the collateral described above shall be applied in the following order:

1. First, in discharging any sums owing to the Security Agent on its own behalf, any receiver or any delegate and in payment to any creditor representative (i.e. the SSN Trustee and the SUN Trustee) of amounts owed to them on their own behalf;
2. Second, in discharging all costs and expenses incurred by any primary creditor in connection with the realisation or enforcement of the collateral;
3. Third, in payment or distribution to: (a) the SSN Trustee on its own behalf and on behalf of the other holders of the SSNs for application towards the discharge of the SSNs; and (b) any creditor representative(s) of pari passu debt liabilities on its own behalf and on behalf of the other pari passu debt creditors for application towards the discharge of the pari passu debt liabilities, in each case on a pro rata basis between (a) and (b);
4. If none of the debtors is under any further actual or contingent liability under any SSNs, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any debtor; and
5. The balance, if any, in payment or distribution to the relevant debtor.

With respect to the collateral that also secures the SUNs, prior to stage 4 above but after stage 3, the proceeds would be paid to the SUN Trustee on its own behalf and on behalf of the other holders of the SUNs for application towards the discharge of the SUNs.

- *Enforcement of Collateral*

The Intercreditor Agreement sets out how instructions to enforce the collateral are given. The “Instructing Group” is defined in the Intercreditor Agreement and means:

1. with respect to both the transaction security and the shared security that secures the SUNs: (i) prior to the SSN discharge date, the majority SUN holders; and (ii) after the SSN discharge date but prior to the pari passu debt discharge date, the majority pari passu creditors; and
2. with respect to the shared security only that also secures the SUNs, after the SSN discharge date and the pari passu debt discharge date, the majority SUN holders.

The above is a brief description of the enforcement mechanisms for the collateral. Full details of such matters are set out in the Intercreditor Agreement. The full description is important for a full understanding of the rights of creditors.

- *Other terms*

Under the Intercreditor Agreement, certain other terms were included, including, without limitation:

- confirming the equal and rateable ranking and securing of the relevant indebtedness (subject to the application of proceeds, as described above);

- certain provisions relating to insolvency and turn over and receipt;
  - the rights, powers and protections of the Security Agent; and
  - provisions relating to the release of any collateral from the security package and the relevant circumstances in which that may be applicable.
- *Governing law*

The Intercreditor Agreement is governed by the laws of England.

## **(2) Material contracts of Nostrum**

Please refer to Section 10 (*Material Contracts*) of Part 14 (*Additional information*) of the LSE Prospectus.

## **5. Capital**

### **5.1 Share capital**

#### ***Issuer share capital***

As at the date of this Prospectus the issued and paid-up capital of the Issuer was equal to U.S.\$100,000 representing 100,000 shares each having a nominal value of U.S.\$1.00.

#### ***Nostrum share capital***

Please refer to Section 2 (*Incorporation and Shares Capital*) of Part 14 (*Additional Information*) of the LSE Prospectus for description of Nostrum's share capital.

## **6. Management of the Issuer**

### ***Management of the Issuer***

As at the date of this Prospectus, the following persons comprise the Management Board of the Issuer:

<b>Name</b>	<b>Address</b>	<b>Date of Appointment</b>
Thomas Hartnett	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	31 March 2017
Ulugbek Makhmadiyarov	Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands	23 June 2021

The Directors of the Issuer are appointed for an indefinite term.

For the year ended 31 December 2021, the amount of remuneration and benefits paid by the Issuer to the Directors is given below:

<b>Director</b>	<b>Remuneration and benefits amount</b>
Thomas Hartnett	Nil

Ulugbek Makhmadiyarov	Nil
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It should be noted that the directors of the Issuer are also directors and/or employees of other companies within the group structure. To the knowledge of the Issuer, there are no known existing or potential conflicts of interest between the Issuer or a subsidiary or any holding company of the Issuer and a director or officer of the Issuer or a subsidiary or holding company of the Issuer.

To the best of the Issuer's knowledge as at the date of this Prospectus no Director of the Issuer or Director of Nostrum have any family or business relationship with each other.

### ***Management of Nostrum***

Please refer to Part 9 (*Directors, Management and Corporate Governance*) of the LSE Prospectus for description of Nostrum management.

## **7. Financial Information about the Issuer and the Group**

### **7.1 Historical information about the Issuer and the Group**

The consolidated financial statements of the Group as of and for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 were prepared in accordance with IFRS and were audited. The unaudited consolidated financial statements of the Group for the period from 1 January 2022 to 30 September 2022 were prepared in accordance with the IFRS and were not audited.

For more detailed information please see Part 13 (*Historical Financial Information*) of the LSE Prospectus.

## **8. Other information relating to the Issuer**

### **8.1 Information about auditors**

The independent auditor of Nostrum was Ernst & Young LLP, One More London, London SE1 2AF, United Kingdom, which was appointed as the auditor of the Group by a resolution of the shareholders of Nostrum dated 8 June 2022. Ernst & Young LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Ernst & Young LLP resigned as the auditors of Nostrum on 30 September 2022 and Nostrum is in the process of appointing replacement auditors.

### **8.2 Connected Persons**

NOG Cooperatief is the sole direct shareholder of the Issuer, holding 100% of the Issuer's shares, which is, in turn, wholly-owned by Nostrum.

There are no arrangements known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

### **8.3 Related Party Transactions**

Please refer to Section 2 (*Related Party Transactions*) of Part 10 (*Principal Shareholders and Related Party Transactions*) of the LSE Prospectus.

### **8.4 Legal and other proceedings against the Issuer**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Nostrum is aware), which during the previous 12 months may have, or have had in the recent past significant effects on Nostrum and/or the Group's financial position or profitability.

## **9. Responsibility for the Content of Prospectus**

### **9.1 Responsibility Statement**

The Responsibility Statement is included in Schedule 1 of this Prospectus.

### **9.2 Signing of the Prospectus by directors of the Issuer**

The Prospectus was signed by Thomas Hartnett, Director in the Schedule 1 of the Prospectus.

### **9.3 Expert opinions included in a Prospectus**

There are no expert opinions included in this Prospectus.

## **10. Documents on display**

Copies of the following documents may be inspected at the website of Nostrum at <https://www.nostrumoilandgas.com> and on the RAS on the website of the AIX at <https://www.aix.kz>:

- Financial statements (only on Nostrum's website);
- this Prospectus and any supplements thereto;
- the LSE Prospectus; and
- further financial reports of the Group.

Articles of the association of the Issuer are available upon request from the Issuer.

## SECURITIES NOTE

### 1. Key information

#### 1.1 Risk factors material to the Securities

*The Notes are subject to modification, waivers and substitution.*

The terms and conditions of the Offer set out in Section 3. Terms and conditions of the offer of the Securities Notes of this Prospectus contain a description of certain provisions of the Trust Deeds related to modification and waivers of the Notes. The Trust Deeds permit defined majority of the Noteholders to bind all other Noteholders.

*The Noteholders may be subject to exchange rate risks and currency controls.*

The Issuer will pay principal and interest on Notes in U.S. Dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than U.S. Dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. Dollar or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*The market price of the Notes may be volatile.*

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by analysts and the actual or expected sale of a large number of Notes.

#### *Market risks*

Currently no market exists for the Notes. In addition there can be no assurance that any secondary market will provide the holders of any Notes with liquidity of investment or will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time and potentially until their stated maturity. In addition, the Notes are subject to certain transfer restrictions, which may further limit their liquidity.

#### *Suitability of investment*

Investors who consider purchasing the Notes should reach an investment decision only after carefully considering the suitability of the Notes in the light of their particular circumstances.

While targeted returns should reflect the perceived level of risk, there can be no assurance of return of capital or any rate of return or profit and investors may be exposed to a total loss on their investment in the Notes.

Investment in the Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. Any prospective purchaser shall be responsible for assessing the legality and suitability of an investment by it in the Notes.

#### *Economic risks*

The Issuer's prospects are dependent on the performance of the Issuer and its subsidiaries. The Issuer can give no assurances as to the performance of it or those entities. Prospective investors should conduct their own investigations as to those entities and consult their own advisors.

The Notes can generally be described as a high-risk investment involving a potential total loss if the Issuer is not able to repay the Notes in full as a result of adverse financial performance.

The Noteholders should also be aware that the SUNs are unsecured (other than to a limited extent) and recourse is limited against the assets of the Issuer; if the Issuer does not receive adequate distributions and other returns from its investments, then the Noteholders would only have recourse on the assets (whether present or future) of the Issuer, to the extent that such assets are available after satisfaction of all senior creditors of the Issuer and its subsidiary.

Any prospective purchaser of the Notes should have such knowledge and experience in financial and business matters and expertise in assessing credit risk (in particular on the Issuer and its investments) and being capable of evaluating the merits, risks and suitability of investing in the Notes.

### ***Credit risk***

Prospective purchasers of the Notes should be aware that the amount and timing of payment of the principal and interest on the Notes will depend upon the financial performance of the Issuer.

### ***Nature of the Issuer***

The Issuer will have: (a) no material assets other than certain interests in group claims; and (b) no material revenue.

### ***Subordinated Notes***

There can be no assurance that the Issuer will not issue or incur further debt which will rank senior to the Notes.

### ***Change of law***

The structure of the issue of the Notes is based on law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to law or administrative practice after the date of this Prospectus.

The Issuer believes that the risks described above are some of the principal risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and neither the Issuer nor any other person or entity represents that the above statements regarding the risk of holding the Notes are exhaustive.

## **1.2 Reasons for the offer**

### **Estimated net amount of proceedings and use of proceeds**

There will be no proceeds from the issuance and allotment of the Notes. Issuance and allotment of the Notes will restructure a portion of the Issuer's debt under Existing Notes in the amount of U.S.\$550,000,000 and an additional amount of additional amount representing interest accrued thereunder from 1 January 2022, pursuant to the terms of the Restructuring.

The Issuer intends to seek listing of the Notes on the TISE, and undertake an Offer of the Notes on the AIX in connection with the Restructuring to comply with regulatory requirements in Kazakhstan.

## **1.3 Creditworthiness of the Issuer**

### ***Financial coverage ratios***

For the year ended 31 December 2022, being the last period for which the financial statements of the Group were audited, the Group had the following financial coverage ratios:

Debt / equity	Net debt / EBITDA
(1.6)x	10.0x

### **Debt service and liabilities**

The information in the table set out below should be read together with Part 11 (*Operating and Financial Review*) of the LSE Prospectus and has been extracted from the financial information set out in Part 13 (*Historical Financial Information*) of the LSE Prospectus.

	<b>As of 30 September 2022</b> (US\$ thousands)
<b>Total current liabilities</b>	
Notes payable and accumulated interest (guaranteed) .....	1,370,018
Trade payables .....	8,470
Current portion of due to Government of Kazakhstan .....	1,031
Other current liabilities .....	18,962
	<b>1,398,481</b>
<b>Total non-current liabilities (excluding current portion of long-term debt)</b>	
Abandonment and site restoration provision .....	29,218
Due to Government of Kazakhstan .....	4,335
Deferred tax liability .....	55,078
	<b>88,631</b>
<b>Shareholders' equity</b>	
Share capital .....	3,203
Treasury capital .....	(1,660)
Retained deficit and reserves .....	(886,011)
	<b>(884,468)</b>
<b>Total</b> .....	<b>602,644</b>

There has been no material change to the capitalisation and indebtedness since 30 September 2022.

The following table sets out the Group's unaudited net financial indebtedness as of 30 September 2022 and has been extracted without material adjustment from the unaudited accounting records of the Group. There has been no material change to the Group's net financial indebtedness since 30 September 2022.

	<b>As of 30 September 2022</b> (US\$ thousands, unaudited)
Cash and cash equivalents .....	210,218
Trading securities .....	-
<b>Total liquidity</b> .....	<b>210,218</b>
<b>Current financial receivable</b>	
Current bank debt .....	-
Current portion of long-term borrowings (including accrued and unpaid interest) .....	1,370,018
Other current financial debt .....	28,463
<b>Total current financial debt</b> .....	<b>1,398,481</b>
<b>Net current financial indebtedness</b> .....	<b>1,188,263</b>
Non-current bank loans .....	-
Bonds issued (including accrued and unpaid interest) .....	1,370,018
Other non-current loans .....	-
<b>Non-current financial indebtedness</b> .....	<b>1,370,018</b>
<b>Net financial indebtedness</b> .....	<b>1,188,263</b>

The Group has no indirect and contingent indebtedness.

See Section Position after the Restructuring of Part 6 (*Information on the Restructuring*) of the LSE Prospectus for information on the Group's debt obligations following the completion of the Restructuring.

### **Relevant credit ratings**

Currently, the Issuer and the Existing Notes are rated by S&P and Moody's, however the Notes will not obtain any credit ratings until the new issuance and the Closing of the Restructuring.

### **Risk factors that may affect the Issuer's ability to fulfil its obligations under the Securities to investors**

All relevant risk factors are described in the "Risk factors" section of the Registration Document.

### **Guarantees**

The Notes are guaranteed on a senior basis by Nostrum, NOG Cooperatief, NOG BV and Zhaikmunai.

<b>Nostrum</b>	Nostrum is the ultimate parent company of the Group. See Part 7 ( <i>Information on the Group</i> ) of the LSE Prospectus for detail.
<b>NOG Cooperatief</b>	NOG Cooperatief is the sole shareholder of the Issuer. See " <i>Prospectus Summary – Section 2. Key Information on the Issuer – 2.1 Who is the issuer of the securities? – Major shareholders</i> " for detail. NOG Cooperatief is also the sole participant of Zhaikmunai (see below). NOG Cooperatief has (a) no material assets other than certain interests in group claims; and (b) no material revenue, except for distribution of dividends from Zhaikmunai.
<b>NOG BV</b>	NOG BV is one of the members of NOG Cooperatief. See " <i>Prospectus Summary – Section 2. Key Information on the Issuer – 2.1 Who is the issuer of the securities? – Major shareholders</i> " for detail. NOG BV has: (a) no material assets; and (b) no material revenue.
<b>Zhaikmunai</b>	Zhaikmunai is the sole holder of the subsoil use rights with respect to the development of the Chinarevskoye Field. The Group's primary field and licence area, which has been the Group's sole source of production and revenue to date, is the Chinarevskoye Field located in the northern part of the oil-rich Pre-Caspian Basin.

See "*Material contracts – Material contracts of the Issuer – Senior Secured Notes Trust Deed and Senior Unsecured Notes Trust Deed*" for more details on guarantees and collateral with respect to the Notes.

## **2. Information relating to the securities offered/admitted to trading**

### **2.1 General information relating to Securities**

<b>Form of the Notes</b>	The Notes will be issued in fully registered and dematerialised form. The Notes will be issued in registered form issued on a dollar for dollar basis.
<b>Size</b>	<ul style="list-style-type: none"> <li>(i) \$250,000,000 in aggregate principal amount of SSNs;</li> <li>(ii) \$300,000,000 in aggregate principal amount of Original SUNs; and</li> </ul>

	(iii) Unlimited aggregate principal amount of SUN PIK Notes.
<b>Currency and Minimum Denomination:</b>	The Notes will be denominated in USD. The SSNs shall be issued in minimum denominations of U.S.\$1,000 and integral multiples of U.S.\$1,000 in excess thereof. The SUNs shall be issued in minimum denominations of U.S.\$1,000 and integral multiples of U.S.\$1 in excess thereof.
<b>Status and ranking of the Notes:</b>	<p>The SSNs shall constitute senior secured debt obligations of the Issuer and shall rank (a) <i>pari passu</i> between themselves and all other indebtedness of the Issuer, but (b) senior to the SUNs.</p> <p>The SUNs shall constitute senior debt obligations of the Issuer and shall rank (a) <i>pari passu</i> between themselves and all other senior indebtedness of the Issuer, but (b) junior to the SSNs.</p> <p>The rights of the holders of the Notes and the obligations of the Issuer in respect of the Notes shall be subject in all respects to the provisions of the documents instituting the Notes.</p>
<b>SUN PIK Notes</b>	On the applicable Interest Payment Date, the Issuer may issue to the holders of any SUNs further SUN PIK Notes in a nominal amount equal to the amount of interest to be paid. All such SUN PIK Notes shall rank <i>pari passu</i> in all respects (save for the first Interest Period in respect thereof, which shall commence on the date of issue of such SUN PIK Notes) so as to form a single series with the existing SUNs. Such SUN PIK Notes shall be deemed to have been constituted on the same terms as the existing SUNs.
<b>ISIN</b>	SUNs: US66978CAD48; USN64884AE41; and the SSNs: US66978CAF95; USN64884AF16.
<b>Admission to listing and trading</b>	<p>The Issuer will not seek admission of the Notes to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum's ordinary shares to be admitted to the official list of the AIX.</p> <p>The Issuer intends to seek admission of the Notes to the official List of TISE, Channel Islands in connection with the TISE Admission. The TISE Admission is expected to become effective in the first half of February 2023.</p>
<b>Registrar</b>	GLAS Trust Company LLC
<b>Depository</b>	the DTC
<b>Principal paying agent</b>	GLAS Trust Company LLC

<b>Legislation</b>	The law of England and Wales
<b>Issue date</b>	On 9 February 2023 per Trust Deed
<b>Maturity date</b>	30 June 2026
<b>Redemption</b>	The Notes will be redeemable at par, plus accrued and unpaid interest.
<b>Coupon interest</b>	<p>The SSNs will be interest-bearing at a rate of 5.00 per cent cash.</p> <p>The SUNs will be interest-bearing at a rate of 1.00 per cent cash and 13.00 per cent payment in kind interest.</p>
<b>Coupon payment dates</b>	Interest will be payable semi-annually in accordance with Trust Deed depending on the Issue Date (“ <b>Interest Payment Date</b> ”). If the date of payment of the principal debt or coupon interest fails on a weekend or holiday, the Issuer undertakes to pay the interest or principal debt on the next Business day.
<b>Coupon period</b>	Each period beginning on (and including) the Issue Date or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.
<b>Record dates</b>	So long as the Global Certificate is held on behalf of DTC or any other Alternative Clearing System (as defined in the Trust Deed), each payment in respect of the Global Certificate will be made to the Person shown as the Noteholder in the Register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where “ <b>Clearing System Business Day</b> ” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.
<b>Day count fraction</b>	30/360; Coupon payments on the Notes shall be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each.
<b>Rights attaching to the Notes</b>	<p>The Noteholders (both SSNs and SUNs) have the right to, <i>inter alia</i>:</p> <ul style="list-style-type: none"> <li>• receive coupon payments;</li> <li>• receive Nominal value upon redemption and at Maturity Date;</li> <li>• freely transfer the Notes in accordance with the Trust Deeds;</li> <li>• receive information concerning the Issuer’s operations;</li> <li>• attend, participate in and vote at meetings of Noteholders in accordance with the terms and conditions of the Note; and</li> <li>• If any of the Events of Default, require that the Notes shall immediately become due and repayable at their</li> </ul>

par value together with accrued coupon interest, subject to the provisions of the Trust Deed.

Additionally,

- holders of the SSNs have the right to foreclose on the collateral granted pursuant to a security for SSNs;
- holders of the SUNs have the right to be allotted Warrants granting the holders (or their nominees) the right to subscribe for new ordinary shares of Nostrum, upon exercise

**Warrants tradable alongside the SUNs:**

The Warrants will be issued to the Warrant Trustee in such amount as will, upon exercise in full, result in the issue of the Warrant Shares (being ordinary shares) at their nominal value to the holders of the Existing Notes (or their nominee(s)) so as to increase the aggregate entitlement of holders of the Existing Notes, or their nominee(s), to ordinary shares from 88.89% to 90%, based upon the pro forma capitalisation of the Issuer immediately following Closing (but excluding entitlements under any new management incentive plan, long-term incentive plan or similar share scheme).

The Warrant exercise mechanics shall, to the extent possible, provide for cashless exercise. Approximately £0.19 million (approximately US\$0.24 million) of indebtedness under the Existing Notes (the “**Warrants Subscription Amount**”) will be amended so as to convert them into a promissory note in the amount of the Warrants Subscription Amount to be held by the Warrant Trustee for the benefit of the holders of the SUNs. The amount due under this promissory note may be applied to pay the nominal value of the approximately 18.8 million Warrant Shares to be issued to holders of the SUNs, or their nominee(s), upon any exercise of the Warrants (following the implementation of the Share Consolidation). The promissory note will not bear any interest.

Warrants shall (prior to exercise) have (i) anti-dilution protection with respect to the issuance of any additional ordinary shares (other than in respect of any management incentive plan, long-term incentive plan or similar share scheme) through the ability to subscribe for additional shares in the case of any new share issue or other dilutive event and (ii) dividend rights ranking *pari passu* with the ordinary shares.

The Warrants will be held by the Warrant Trustee and beneficial interests in the Warrants will trade alongside the SUNs over time. The Warrants are not transferable on a standalone basis.

**Issue restrictions**

N/A

**Selling restrictions**

The Notes have not been and will not be registered under the Securities Act and accordingly it may not be offered, sold, pledged or otherwise delivered in the United States in the absence of such registration or except pursuant to an exemption from the registration requirements of the Securities Act.

Note may be transferred by depositing the Definitive Certificate issued in respect of that Note, together with a transfer certificate substantially in the form of Schedule 2 to the Agency Agreement duly completed and signed, at the specified office of the Registrar or any of the Agents.

Neither the part transferred nor the balance not transferred may be less than U.S.\$200,000, except that if all of the Notes of a Noteholder are to be transferred, the entire outstanding amount of Notes held by such Noteholder may be transferred even if less than U.S.\$200,000.

A Note may only be transferred to a new holder resident, domiciled or with a registered office in any Member State of the European Economic Area or in the United Kingdom, if the transferee is a “Qualified Investor” within the meaning of the Prospectus Regulation or the transfer otherwise falls within the scope of any other applicable exemption under Article 1(4) of the Prospectus Regulation.

Qualified Investors include (in summary) an (i) entity required to be authorised or regulated to operate in the financial markets, such as (among others) an investment firm, credit institution or an asset manager; (ii) a large undertaking meeting certain quantitative thresholds relating to balance sheet, net turnover and own funds; (iii) a national or regional government, a public body that manages public debt (excluding local authorities), a central bank or an international or supranational institution; or (iv) any other institutional investor whose main activity is to invest in financial instruments.

*Whilst the Notes may only be traded in denominations of U.S.\$200,000 and multiples of U.S.\$1, for the purposes of DTC and the ICSDs the denominations are considered as U.S.\$1. For the avoidance of doubt, DTC and the ICSDs are not required to monitor or enforce the minimum amount.*

**Restrictions on the free transfer**

The Notes may be transferred in accordance with the requirements of the clearing systems and the Trust Deed.

**Time limit for claims**

Per governing law of the Notes

### **3. Terms and conditions of the Offer**

<b>Number of Notes offered</b>	250,000 SSNs and 300,000 SUNS plus PIK SUNs.
<b>Offer price:</b>	U.S.\$1,000
<b>Categories of potential investors</b>	The Notes will be allotted to Existing Noteholders pursuant to the terms of the Restructuring
<b>Material interest and conflict of interests:</b>	No person involved in the Offer has any interest in the Offer, which is material to the Offer.
<b>Offer method and allotment</b>	<p>The SUNs (and the respective number of Warrants) will be offered to holders of the SUNs pro rata to their holding of the Existing Notes in exchange for a portion of the principal amount (but not the accrued interest) of the Group's debt under the Existing Notes.</p> <p>The Issuer reserves the right to reject any application submitted in the Offer at its own discretion. As part of the Offer, no settlement of the SUNs and Warrants will be made on the AIX, allocation and distribution of the SUNs and Warrants will be made on the Effective date of the Restructuring in the Issuer's depository (DTC) and through the Warrant Trustee, respectively.</p>
<b>Offer Period, including opening and closing dates</b>	8 February 2023, starting on 11:00 (Astana time) and ending on 15:00 (Astana time), which may be extended upon written request of the Bookrunner in accordance with the terms of the book-building agreement entered into with the AIX on 13 December 2022.
<b>Proposed date of allotment of Notes</b>	The allotment of the SUNs (and related Warrants) is expected to take place on the day on the Effective Date of the Restructuring in accordance with its terms.
<b>Right to withdraw an application</b>	Investors are allowed to withdraw their applications until 14:00 (Astana time) on the Offer Day. Since the Notes will be offered for a non-cash consideration, there will be no cash transfers in case of a withdrawal of a submitted application.
<b>Lead manager</b>	JSC Halyk Finance registered at Republic of Kazakhstan, A05A1B9, Almaty, Abay Avenue, 109 B, 5 <sup>th</sup> floor as Bookrunner. The

## **Authorisations**

Bookrunner will provide book-building services on the AIX on a best-efforts basis.

The issue of the Notes was approved by a resolution the Issuer dated 27 January 2023.

## **Clearing and settlement**

In order to participate in the Offer and submit their applications, investors are required to have an account opened with a brokerage firm admitted as an AIX Trading Member

## **Notification process for investors**

One day before the Offer day the Bookrunner will issue an announcement on the Offer and the AIX will issue the market notice setting out the terms and details of the book-building, allocation and settlement of securities as part of the Offer.

The Issuer will not seek admission of the Notes to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum's ordinary shares to be admitted to the official list of the AIX.

The Issuer intends to seek admission of the Notes to the official List of TISE, Channel Islands in connection with the TISE Admission. The TISE Admission is expected to become effective in the first half of February 2023.

## **3.1 Payment**

Payment of principal, interest and premium, if any, will be made by transfer to the registered account of the Noteholder. In the case of payment to holders of a Definitive Certificate, payments of principal and premium, if any, will only be made against surrender of the relevant Definitive Certificate at the specified office of any of the Agents.

Coupon interest payments on the Notes shall be paid to the person shown on the register that the Issuer shall procure to be kept by the Registrar in accordance with the Registrar's regulations at 23:59:59 on the last day of a period which coupon payment is due for (the "**Record Date**"). Coupon interest payments on Notes shall be paid within 5 (five) Business days after and including each Coupon Payment Date by money transfer (in USD only) to current bank accounts of the holders of the Notes specified in the register of Noteholders as at the Record Date. The final coupon interest payment shall be made concurrently with payment of the principal of the Notes on the relevant Maturity Date. All payments in respect of the Notes shall be made in USD.

The Trust Deed also regulates payments of the payment-in-kind interest on the Notes.

## **3.2 Penalty**

Interest on overdue principal and interest, if any, will accrue at a rate that is 2% higher than the applicable interest rate due on the Notes at such time.

### 3.3 Events of Default

The Notes shall, subject to the Trustee or Noteholders (of at least 25% in aggregate principal amount of the outstanding Notes) notice, become immediately due and repayable at their principal amount, together with any accrued interest, if any of the following events occur (the “**Events of Default**”):

- the Issuer failing to pay any interest on any Note when due (including failure to issue additional Notes pursuant to the Trust Deed), and such default continues for a period of 30 days; or
- the Issuer’s default in the payment of principal of or premium, if any on any Notes when due at its maturity, upon redemption, repurchase or otherwise; or
- the Issuer or any Guarantor failing to comply with its other obligations under the Trust Deed for 30 days after a notice thereof;
- an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer, any Guarantor or Significant Subsidiary (as defined in the Trust Deed); or
- the Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or cease or threaten to cease to carry on its business or a substantial part of its business; or
- a judgement or decree for payment of money in excess of U.S.\$25.0 million is entered against the Issuer, any Guarantor or Significant Subsidiary (as defined in the Trust Deed) and remaining outstanding for a period of 30 consecutive days; or
- the Notes guarantee ceasing to be in force and effect or being declared to be null and void.

### 3.4 Meetings of Noteholders

- The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed.
- Such a meeting may be convened by the Issuer upon a requisition in writing signed by Noteholders of not less than 10% in principal amount of the Notes for the time being outstanding.
- The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more Persons holding or representing more than 50% in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of Reserved Matters, in which case the necessary quorum shall be two or more Persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, of the principal amount of the Notes of such series for the time being outstanding, unless the business of the adjourned meeting relates to clause (g) under the definition of Reserved Matter, in which case the quorum for such adjourned meeting shall be two or more Persons holding or representing not less than 50% of the principal amount of the Notes for the time being outstanding.
- Under the Trust Deed a Reserved Matter is any proposal, *inter alia*:
  - (1) to modify the maturity of the Notes or the dates of redemption of the Notes or the dates on which interest is payable in respect of the Notes;

- (2) to reduce or cancel the principal amount of, or any premium payable on redemption of the Notes or interest on or to vary the method or basis of calculating the amount of interest or to reduce the rate of interest in respect of the Notes;
- (3) to change the currency of the payment or denomination of the Notes;
- (4) to modify the provisions concerning the quorum required at any Meeting of the Noteholders or the majority required to pass an Extraordinary Resolution;
- (5) to amend the definition of the Reserved Matter;
- (6) for the release of any Guarantor or any of the security (in a manner not permitted by the Trust Deed);
- (7) to impair or affect the right of any Noteholder to receive payment of principal of and interest on the Notes held by such Noteholder, on or after the respective due dates expressed in the Notes, or to bring suit for the enforcement of any such payment on or after such respective dates.

### **3.5 Notices**

#### ***To the Noteholders***

Notices to the Noteholders will be served in accordance with the terms of the Trust Deeds and any other applicable regulations.

#### ***To the Issuer***

Notices to the Issuer will be deemed to be validly given if delivered to the Issuer at Nostrum Oil & Gas Finance B.V., Gustav Mahlerplein 23B, 1082 MS Amsterdam, The Netherlands for the attention of Thomas Hartnett, Director, and will be deemed to have been validly given when delivered.

### **3.6 Early redemption**

#### ***Early redemption at the option of the Issuer***

At any time and from time to time on or after the Issue Date, the Issuer may redeem the Notes, in whole or in part, upon not less than 10 nor more than 60 days' prior notice, at a redemption price equal to 100% of the principal amount of such Notes plus accrued and unpaid interest, if any, on the Notes to be redeemed, to, but excluding, the applicable redemption date, provided that the Issuer may not redeem less than U.S. \$1.0 million in aggregate principal amount at any one time.

#### ***Mandatory redemption***

The Issuer shall be required to mandatorily redeem the Notes in certain circumstances related to cash flow arrangements as set out in the Trust Deed at a redemption price equal to 100% of the principal amount of such Notes plus accrued and unpaid interest, if any, on the Notes to be redeemed, to, but excluding, the applicable redemption date. The Issuer shall not be required to mandatorily redeem the Notes in any other circumstances.

### **3.7 Further issues and further indebtedness**

The Trust Deed contains covenants of Nostrum and the Issuer not to incur any indebtedness, except as provided for therein. Please refer to Schedule 8 (*Covenants*) of the Trust Deed for further details.

#### **4. Other information**

##### **4.1 Audit and source of information including use of expert reports**

The Issuer is included in the Financial statements of the Group. Financial statements were prepared in accordance with IFRS and audited by Nostrum's auditors – Ernst & Young. Financial statements are incorporated hereto by reference.

The unaudited consolidated financial statements of the Group for the period from 1 January 2022 to 30 September 2022 included in the Interim Financial Report 2022 published on 22 November 2022, are incorporated by reference into this Prospectus. The consolidated financial statements as of and for the nine month period ended 30 September 2022 were prepared in accordance with IFRS and were not audited.

Please refer to Part 13 (*Historical Financial Information*) of the LSE Prospectus for more details.

#### **5. Information on the Offer**

##### **Key dates**

##### **Actual date**

Offer Day

8 February 2023

Allocation Date

the Effective Date of the Restructuring

##### **An estimate of the total expenses related to the Offer**

The total commissions, fees and expenses payable in connection with the Restructuring will be approximately US\$35-45 million excluding US\$22.7 million transferred to a blocked account under the terms of the forbearance agreement signed with the ad hoc group of holders of the Existing Notes during the Restructuring process.

## DEFINITIONS AND GLOSSARY

<b>“2021 Report”</b>	Nostrum’s 2021 annual report & accounts.
<b>“AIFC”</b>	Astana International Financial Centre.
<b>“AIX CSD”</b>	Astana International Exchange Central Depository.
<b>“AIX”</b>	Astana International Exchange Ltd.
<b>“AIX Trading Member”</b>	Valid and active trading membership agreement with the AIX.
<b>“Allocation Date”</b>	the Effective Date of the Restructuring expected on or about 9 February 2023.
<b>“Articles of association”</b>	Articles of association of Nostrum Oil & Gas Finance B.V.
<b>“barrel”</b>	A unit of volume measurement used for petroleum and its products (7.3 barrels = 1 tonne; 6.29 barrels = 1 cubic metre).
<b>“Bookrunner”</b>	JSC Halyk Finance.
<b>“Business day”</b>	Means a day on which banks and exchange markets are open for business in the Republic of Kazakhstan.
<b>“Business Rules”</b>	AIX Business Rules dated 17 November 2017 (as amended)
<b>“Clearing System Business Day”</b>	weekday (Monday to Friday, inclusive) except 25 December and 1 January.
<b>“Company” or “Issuer” or “NOG Finance”</b>	Nostrum Oil & Gas Finance B.V.
<b>“DTC”</b>	Depository Trust Company.
<b>“Events of Default”</b>	The events described in clause 3.3 (Events of Defaults) of section “Securities Note” hereof.
<b>“Existing Noteholders”</b>	The holders of Existing Notes.
<b>“Existing Notes”</b>	The existing U.S.\$725,000,000 8.0% Senior Notes due 2022 and U.S.\$400,000,000 7.0% Senior Notes due 2025 issued by the Issuer.
<b>“FCA”</b>	Financial Conduct Authority of the United Kingdom.
<b>“Financial statements”</b>	The audited financial statements for years ending 31 December 2021, 31 December 2020 and 31 December 2019.
<b>“Group”</b>	Nostrum together with its subsidiaries.
<b>“ICSDs”</b>	International Central Securities Depositories.
<b>“IFRS”</b>	International Financial Reporting Standards.
<b>“Intercreditor Agreement”</b>	An Intercreditor Agreement dated 6 September 2018 made between (1) the Issuer; (2) Nostrum as the Parent; (3) certain subsidiaries of Nostrum as debtors, (4) certain companies as intra-group lenders, (5) GLAS Trustees Limited as SSN Trustee

	and SUN Trustee and (6) GLAS Trust Corporation Limited as Security Agent.
<b>“Interest Payment Date”</b>	Such dates on which Interest will be payable (in either case semi-annually) in accordance with Trust Deed depending on the Issue Date.
<b>“Interim Financial Report 2022”</b>	The unaudited consolidated financial statements of the Group included in the Interim Financial Report 2022 for the 9 months ended on 30 September 2022 published on 22 November 2022.
<b>“LSE Prospectus”</b>	The prospectus dated 14 October 2022 and the first supplementary prospectus dated 6 December 2022 in connection with the proposed restructuring, all approved by the FCA, available at Nostrum’s corporate website at: <a href="https://www.nostrumoilandgas.com/investors/documents-circulars/">https://www.nostrumoilandgas.com/investors/documents-circulars/</a> .
<b>“Management Board”</b>	The management board of the Issuer.
<b>“Market Rules”</b>	AIFC Market Rules (AIFC Rules No.FR0003 dated 17 October 2017) (as amended).
<b>“Maturity Date”</b>	30 June 2026.
<b>“New Shares”</b>	1,505,633,046 new ordinary shares of Nostrum.
<b>“NOG BV”</b>	Nostrum Oil & Gas B.V.
<b>“NOG Cooperatief”</b>	Nostrum Oil & Gas Coöperatief U.A.
<b>“Nostrum” or “Warrant Issuer”</b>	Nostrum Oil & Gas plc.
<b>“Noteholder”</b>	A holder of the Note.
<b>“Notes”</b>	The SUNs and SSNs.
<b>“Offer”</b>	Offer of the SUNs and Warrants through the book-building facilities of the AIX.
<b>“Offer Day”</b>	8 February 2023.
<b>“Original SUNs”</b>	U.S.\$ 300,000,000 1% Senior Unsecured Notes due 2026.
<b>“Person”</b>	Any individual, Nostrum, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other legal entity, whether or not having separate legal personality.
<b>“Prospectus”</b>	This prospectus described herein and is prepared in accordance with and for the purposes of Market Rules.
<b>“Prospectus Regulation”</b>	Regulation (EU) 2017/1129, including as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended.
<b>“RAS”</b>	Regulatory Announcement Service of the AIX.

<b>“Record Date”</b>	23:59:59 on the last day of a period which coupon payment.
<b>“Registrar”</b>	GLAS Trust Company LLC.
<b>“Restructuring”</b>	The Restructuring to be implemented via a scheme of arrangement sanctioned by the High Court of Justice of England and Wales on 26 August 2022 as further described in the LSE Prospectus.
<b>“Securities Act”</b>	The U.S. Securities Act of 1933 (as amended).
<b>“Securities” or the “Notes”, and each a “Note”</b>	The U.S.\$250,000,000 5% the SSNs due 2026, U.S.\$300,000,000 1% the Original SUNs due 2026 together with any additional Senior Unsecured Notes due 2026 paid as SUN PIK Notes of Nostrum Oil & Gas Finance B.V. issued in accordance with the laws of England and Wales in denominations of U.S.\$1,000.
<b>“SSN Trust Deed”</b>	The SSNs, a trust deed dated to be made between (1) the Issuer as issuer; (2) certain affiliates of the Issuer as guarantors; (3) GLAS Trustees Limited as trustee; and (4) GLAS Trust Corporation Limited as security trustee in the first half of February 2023 or earlier.
<b>“SSNs”</b>	250,000,000 5% Senior Secured Notes due 2026.
<b>“SUNs”</b>	300,000,000 1% Senior Secured Notes due 2026, plus SUN PIK Notes.
<b>“SUN PIK Notes”</b>	The additional senior unsecured notes due 2026 as payment in kind interest on the SUNs.
<b>“SUN Trust Deed”</b>	The SUNs, a trust deed to be made between (1) the Issuer as issuer; (2) certain affiliates of the Issuer as guarantors; (3) Glas Trustees Limited as trustee; and (4) Glas Trust Corporation Limited as security trustee in the first half of February 2023 or earlier.
<b>“TISE Admission”</b>	The admission to listing, trading and/or quotation by the TISE.
<b>“TISE”</b>	The International Stock Exchange.
<b>“Warrants”</b>	The warrants to be issued by Nostrum.
<b>“Warrant Shares”</b>	Additional ordinary shares to be issued by the Warrant Issuer upon exercise of the Warrants.
<b>“Warrants Subscription Amount”</b>	Approximately £0.19 million (approximately US\$0.24 million) of indebtedness under the Existing Notes.
<b>“Warrant Trustee”</b>	GLAS Trust Company LLC.
<b>“Trust Deeds”</b>	The SSN Trust Deed and SUN Trust Deed.
<b>“Zhaikmunai”</b>	Zhaikmunai LLP.

## SCHEDULE 1

### SECURITIES NOTE



*(incorporated under the Companies Act 2006 and registered in England and Wales with registered number 8717287)*

#### **Warrants entitling the holders to subscribe for ordinary shares of the Warrant Issuer**

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Warrants will be issued by Warrant Issuer in accordance with the terms of the Restructuring.

The Warrant Issuer intends to undertake an offer of the Warrants (together with SUNs to be issued by the Issuer) to holders of the Existing Notes of Nostrum in exchange for a waiver of their claims to the Group. The Offer is expected to commence at the Offer Day. The Offer will be made using the AIX book-building facilities. The Warrant Issuer engaged the Bookrunner who will be acting as the bookrunner for the Offer.

One day before the Offer day the Bookrunner will issue an announcement on the Offer and the AIX will issue the market notice setting out the terms and details of the book-building, allocation and settlement of securities as part of the Offer. The Offer may be extended upon written request of the Bookrunner in accordance with the terms of the book-building agreement entered into with the AIX. The request for an extension of the Offer to the Bookrunner will be made on the basis of the decision of the Issuer's competent authority, which will be published through the RAS.

The allotment of the SUNs and the Warrants is expected to take place on the Allocation Date. The Warrant Issuer will not seek admission of the Warrants to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum's ordinary shares to be admitted to the official list of the AIX.

The Warrants will be issued by Warrant Trustee based on the instrument constituting the Warrants to be entered into by the Warrant Issuer and the Warrant Trustee for the purpose of increasing shareholding entitlement of the holders of the Existing Notes each issued by Issuer in accordance with the terms of the Restructuring.

The Warrant Trustee will hold the Warrants on behalf of the holders of the SUNs, or their nominees, from time to time. The Warrants can be exercised, upon occurrence of certain events set out in the Warrant Instrument, by holders of the SUNs, to subscribe for the Warrant Shares. The Warrants Shares would increase their holding of the enlarged issued share capital of the Warrant Issuer by 1.11%.

The Warrant Issuer produced the LSE Prospectus in connection with the issue of the New Shares and issue of Warrants in connection with the repayment of the Existing Notes as part of the proposed Restructuring. The LSE Prospectus has been approved in the United Kingdom by the FCA.

Capitalized terms used herein without definition shall have the same meaning (and shall be subject to the same construction) as set forth in the LSE Prospectus.

The Securities Note incorporates certain information on the Warrant Issuer by reference. Please refer to Section 1.7 (*Documents incorporated by reference*) of the Securities Note for further details.

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## 1. Key Information

*Prior to deciding to invest in the Warrants, investors should carefully consider, along with the other matters set out in this Securities Note, the following investment considerations. These comments do not purport to address all the risks associated with an investment in the Warrants.*

### 1.1 Disclosure of Risks Factors Material to the Warrants

#### (a) Nature of the risks involved in investing in the Warrants

**Market risks:** Currently no market exists for the Warrants. In addition there can be no assurance that any secondary market will provide the holders of any Warrants with liquidity of investment or will continue for the life of such Warrants. Further, the Warrants do not trade independently, but trade alongside with the SUNs. Consequently, a purchaser must be prepared to hold such Warrants for an indefinite period of time and potentially until their stated maturity. In addition, the Warrants are subject to certain transfer restrictions, which may further limit their liquidity.

**Suitability of investment:** Investors who consider purchasing Warrants should reach an investment decision only after carefully considering the suitability of the Warrants in the light of their particular circumstances.

While targeted returns should reflect the perceived level of risk, there can be no assurance of return of capital or any return or profit and investors may be exposed to a total loss on their investment in any Warrants.

Investment in the Warrants is suitable only for investors who can bear the risks associated with a lack of liquidity in the Warrants and the financial and other risks associated with an investment in the Warrants. Any prospective purchaser shall be responsible for assessing the legality and suitability of an investment by it in the Warrants.

**Economic risks:** The Warrant Issuer's prospects are dependent on the performance of the Group. The Warrant Issuer can give no assurances as to the performance of the Group. Prospective investors should conduct their own investigations as to the Group and consult their own advisors.

Any prospective purchaser of the Warrants should have such knowledge and experience in financial and business matters, expertise in assessing credit risk (in particular of the Warrant Issuer and its investments) and be capable of evaluating the merits, risks and suitability of investing in the Warrants.

#### (b) Material risks associated with investing in the Warrant Issuer

**Risks related to the Restructuring:** The Restructuring is subject to a number of conditions that must be satisfied in order for it to proceed; failure to fulfil any conditions will result in the restructuring not proceeding, as set out in Part 2 (*Risk Factors*) of the LSE Prospectus.

**Risks in relation to the Market Value of the Warrants:** The market value (being the estimated amount for which the Warrants should exchange on the valuation date between a willing buyer and a willing seller, in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion (the "**Market Value**") of, and the income derived from, the Warrants can fluctuate.

The Market Value of a Warrant takes into account its dividend yield, prevailing interest rates and market sentiment. As such, the Market Value of a Warrant may vary considerably from the underlying net asset value of the Group and as well as the risk that investors may not get back the full value of their investment, the market prices of Warrants may be at a discount or

premium to the net asset value of the Warrant Issuer at different times depending on supply and demand, market conditions, general investor sentiment and other factors.

Fluctuations could also result from a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation and various other factors and events, variations in the Warrant Issuer's operating results, business developments of the Warrant Issuer and/or its competitors.

The price of a Warrant may also be affected by speculation in the press or investment community regarding the business or investments of the Group, or factors or events that may directly or indirectly affect its respective investments such as a change in government policy. The Market Value of Warrants may not therefore reflect the price investors paid for such Warrants.

The Warrants are only exercisable in limited circumstances as described herein and as further described in the Warrant Instrument.

**Risks relating to the liquidity of the Warrants:** The Warrant Issuer does not have a fixed winding up date and therefore, unless holders of the Warrants (the “**Warrantholders**”) vote to wind up the Warrant Issuer on grounds set out in the Warrant Instrument, Warrantholders will only be able to realise their investment through the market. Although the Warrants will be listed on the International Stock Exchange, Channel Islands (TISE), it is possible that there may not be a liquid secondary market for the Warrants and Warrantholders may have difficulty selling their Warrants. As a result, an investment of this type should be regarded as long-term in nature and may not be suitable as a short-term investment.

(c) *Risks associated with the assets to be acquired using the proceeds of the offer*

The Warrant Issuer is not raising any proceeds in connection with the Offer and admission on the TISE. The Warrants will be offered and allotted to holders of the Existing Notes as part of the Restructuring.

(d) *The effect that the material risks may have on the Warrant Issuer including how the risk could affect the business, operating results and financial conditions of the Warrant Issuer*

The key risks that alone or in combination with other events or circumstances, could have a material adverse effect on the Warrant Issuer's business, financial condition, results of operations and prospects, are set out in Section B of Part 1 (*Key Information on the Warrant Issuer*) of the LSE Prospectus.

(e) *Steps proposed by the Warrant Issuer to mitigate or manage the risks*

The Issuer may seek to mitigate the impact of volatility in hydrocarbon prices and currency exchange rates by maintaining oil and gas price and foreign exchange hedging to underpin its financial strength and protect its capacity to fund future developments and operations. Oil and gas hedging can be undertaken with swaps, collar options, reverse collars and hedges embedded in long-term crude offtake agreements.

(f) *General and specific risks relating to the industry or jurisdiction in which the Warrant Issuer operates*

**Risks factors relating to the oil and gas industry:** Oil and gas prices are volatile and have fluctuated considerably in recent years, which has had, and may continue to have, a significant impact on the Warrant Issuer. Risk factors relating to the oil and gas industry are set out in Part 2 (*Risk Factors*) of the LSE Prospectus.

**Risks factors relating to Kazakhstan:** The Warrant Issuer operates solely in Kazakhstan which is subject to significant political, economic, legal, regulatory and social uncertainties and has recently experienced political and civil unrest. Risk factors relating to Kazakhstan are set out in Part 2 (*Risk Factors*) of the LSE Prospectus.

(g) *Other material risks that are not included in the above*

**Risks relating to the Warrant Issuer and the Group:** There can be no guarantee that the investment objectives of the Warrant Issuer will be met. If these objectives are not met, Warrantheolders may not receive an attractive level of income, or any income, or capital growth in the underlying value of their Warrants. Warrantheolders could lose all or part of their investment in the Warrant Issuer.

**Risks relating to the taxation of the Warrant Issuer and the Group:** The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the Warrant Issuer's or Group's tax status or in taxation legislation in the United Kingdom, Kazakhstan or any other tax jurisdiction affecting Warrantheolders or investors could affect the value of the investments held by the Group, or affect the Warrant Issuer's ability to achieve its investment objective for the Warrants or alter the post-tax returns to Warrantheolders. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Any change (including a change in interpretation) in tax legislation in the United Kingdom or Kazakhstan, could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Warrants. Changes to tax legislation could include the imposition of new taxes or increases in tax rates in the United Kingdom or Kazakhstan. Changes to the taxation information and reporting requirements (for example under the Common Reporting Standards) are likely to increase the compliance obligations on the Group which could increase the administrative costs of the Group going forward and, as a result, the financial performance of the Group and the returns available to Shareholders could be adversely affected.

**Risks relating to laws and regulation which may affect the Warrant Issuer and the Group:** The Group is subject to laws and regulations enacted by national, regional and local governments and institutions. In particular, the Warrant Issuer and its Group will be required to comply with certain statutory requirements under English law, regulation and policy applicable to an English company and the rules and regulations made by the FCA under the FSMA, and contained in the UK Listing Authority's publication of the same name. Compliance with and the monitoring of applicable regulations may be difficult, time consuming and costly. Any changes to such regulation could affect the Market Value of the Group's assets. The Group will not obtain political risk insurance. As such, government action could have a significant impact on the target investments of the Group. Changes to the existing legislation or policy or additional legislation or policies may be burdensome for the Group to implement and may as a result have a negative impact on the returns of the Group.

Government authorities are also actively involved in the application and enforcement of laws and regulations relating to taxation, land use and zoning and planning restrictions, environmental protection and safety and other matters. The institution and enforcement of those laws and regulations could have the effect of increasing the expense and lowering the income or rate of return from as well as adversely affecting the value of the Warrant Issuer's assets.

**Risks relating to gearing and the access to debt financing in the future:** The Group is dependent upon access to debt financing to grow and maintain its assets. Access to debt financing in the future will depend on, amongst other things, suitable market conditions. If conditions in credit markets are unfavourable at the time when sources of financing expire or when the Group is looking to refinance them, the Group may not be able to obtain new sources

of financing or may only be able to obtain new sources of financing at higher costs or on more restrictive terms. In such circumstances the Warrant Issuer may have to limit investment activity and the level of dividends the Warrant Issuer is able to pay may be reduced.

Prospective investors should be aware that, whilst the use of borrowings should enhance the net asset value of the Warrants where the value of the Group's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the income of the Group's portfolio falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Group and accordingly will have an adverse effect on the Warrant Issuer's ability to pay dividends to Shareholders.

**Risks relating to the economic environment:** Global market uncertainty and any weakening in economic conditions in the United Kingdom, Kazakhstan or elsewhere and, in particular, any restriction on the availability of credit, may reduce the value of the Group's portfolio. Adverse changes in the macroeconomic climate, such as the ongoing Russia-Ukraine military conflict could also negatively affect liquidity in the markets.

## **1.2 Reasons for the Offer**

The Warrant Issuer intends to seek listing of the Warrants on the TISE, and undertake an Offer of the Warrants on AIX in connection with the Restructuring to comply with the Kazakhstan legislation on the subsoil and subsoil use on issuance of objects related to the subsoil use right into circulation on the organized securities market. The Warrant Issuer is not raising any proceeds in connection with the Offer. The Warrants will be offered and allotted to holders of the Existing Notes as part of the Restructuring.

## **1.3 Financial Condition**

The description of the Warrant Issuer's financial condition, changes in financial condition and results of operations for each year and interim period, for which historical information is required, including causes of any material changes from year to year in the financial information to the extent necessary for an understanding of the Warrant Issuer's business as a whole, are set out in Part 11 (*Operating and Financial Review*) of the LSE Prospectus.

This includes Financial statements and Interim Financial Report 2022. The Financial statements have been reported on by Ernst & Young LLP in accordance with the Standards for Investment Reporting 2000 'Investment Reporting Standards Applicable to Public Reporting Engagements on Historical Financial Information' issued by the Financial Reporting Council in the United Kingdom and historical financial information of the Nostrum. The Interim Financial Report 2022 is unaudited and has not been report on by any auditors.

## **1.4 Working Capital Statement**

The Warrant Issuer's board of directors is of the opinion that, taking account of the Existing Notes, the Warrant Issuer does not have sufficient working capital for its present requirements (that is, for at least the 12 months from the date of this document).

## **1.5 Creditworthiness of the Warrant Issuer**

- (a) The Warrant Issuer is not subject to any credit ratings.
- (b) The Warrant Issuer's ability to fulfil its obligations under the Warrants to investors are set out in the relevant sections of Part 2 (Risk Factors) of the LSE Prospectus.
- (c) The statement of capitalisation and indebtedness, including guaranteed and unguaranteed, secured and unsecured indebtedness as well as indirect and contingent indebtedness, is set out in Part 12 (Capitalisation and Indebtedness) of the LSE Prospectus.

## **1.6 Guarantees**

There are no guarantees attaching to the Warrants.

## **1.7 Incorporation of information by reference**

- (a) This Securities Note may be used in connection with the Offer. This Securities Note must be read in conjunction with the following documents deemed to be incorporated by reference in and forming part of this Securities Note and shall be construed accordingly:
  - (i) the Warrant Instrument;
  - (ii) the LSE Prospectus;
  - (iii) the Prospectus;
  - (iv) the Financial statements;
  - (v) The Interim Financial Report 2022;
  - (vi) the Warrant Issuer's articles of association (the "**Articles**"); and
  - (vii) all amendments and supplements to this Securities Note prepared by the Warrant Issuer from time to time.
- (b) This Securities Note together with the documents listed above form the Securities Note for the purposes of the Offer and Market Rules.

## 2. Information Relating to the Warrants Offered to Trading

### 2.1 General Information relating to the Warrants

<b>Type and class of the Warrants:</b>	Warrants entitling Warrantholders to subscribe for the ordinary shares of the Warrant Issuer with a par value of GBP 0.01.
<b>ISIN:</b>	The Warrants will not have a separate ISIN. The ISIN of the SUNs, alongside which the Warrants will trade: US66978CAD48; USN64884AE41.
<b>SUNs</b>	U.S.\$300,000,000 1% senior unsecured notes due 2026 (original SUNs) and the additional senior unsecured notes due 2026 as payment in kind interest on the SUNs (SUN payment-in-kind notes).
<b>Issuer of the SUNs</b>	The Issuer of the SUNs is NOG Finance, a wholly-owned subsidiary of the Nostrum. NOG Finance is a finance company used by Nostrum to issue external debt to finance the Group's principal activities.
<b>Warrants form and entity maintaining the records:</b>	The Warrants will be in a registered (book-entry) form. No documents of title will be issued. The entity maintaining the records will be the Warrant Trustee.
<b>Summary of restrictions, arrangements and limitations:</b>	<p>The Warrants will not be tradeable independently but will trade alongside the SUNs. The SUNs are subject to certain selling and transferability restrictions set out in the Notes Prospectus to be published by NOG Finance.</p> <p>The Warrants will be exercisable in full for the issue of the Warrant Shares (as defined below) upon:</p> <ul style="list-style-type: none"><li>a) a breach of the Warrant Issuer's covenants or undertakings in relation to the SUNs or the Warrants;</li><li>b) a change in, or breach of, certain agreed governance principles to be adopted by the Warrant Issuer on or prior to Closing without approval from the Warrant Director (as defined below) (such approval to be on terms, and in accordance with the process, specifically set out in the Warrant Instrument and/or the new Articles) ("<b>Warrant Approval</b>");</li><li>c) a change to the agreed composition of the Warrant Issuer's board of directors that has not obtained Warrant Approval; or</li><li>d) an exit event (as specifically defined in the Warrant Instrument) but including, in principle, any delisting of the Warrant Issuer from the London Stock Exchange, a change of control, sale of all or substantially all</li></ul>

assets, the commencement of any winding-up or similar process in relation to the Warrant Issuer, or merger of the Warrant Issuer (an “**Exit**”).

**Legislation under which the Warrants have been created:**

The laws of England and Wales.

**Warrants Currency:**

GBP.

The Warrants will be issued to the Warrant Trustee in such amount as will, upon exercise in full, result in the issue of the Warrant Shares (being ordinary shares) at their nominal value to the holders of the Existing Notes (or their nominee(s)) so as to increase the aggregate entitlement of holders of the Existing Notes, or their nominee(s), to ordinary shares from 88.89% to 90%, based upon the pro forma capitalisation of the Warrant Issuer immediately following Closing (but excluding entitlements under any new management incentive plan, long-term incentive plan or similar share scheme).

The Warrant exercise mechanics shall, to the extent possible, provide for cashless exercise. Approximately £0.19 million (approximately US\$0.24 million) of indebtedness under the Existing Notes (the “**Warrants Subscription Amount**”) will be amended so as to convert them into a promissory note in the amount of the Warrants Subscription Amount to be held by the Warrant Trustee for the benefit of the holders of the SUNs. The amount due under this promissory note may be applied to pay the nominal value of the approximately 18.8 million Warrant Shares to be issued to holders of the SUNs, or their nominee(s), upon any exercise of the Warrants (following the implementation of the Share Consolidation). The promissory note will not bear any interest.

Warrants shall (prior to exercise) have (i) anti-dilution protection with respect to the issuance of any additional ordinary shares (other than in respect of any management incentive plan, long-term incentive plan or similar share scheme) through the ability to subscribe for additional shares in the case of any new share issue or other dilutive event and (ii) dividend rights ranking *pari passu* with the ordinary shares.

The Warrants will be held by the Warrant Trustee and beneficial interests in the Warrants will trade alongside the SUNs over time. The Warrants are not transferable on a standalone basis.

## **2.2 Dividends Information relating to Dividend Rights**

Warrants shall (prior to exercise) have dividend rights ranking *pari passu* with the ordinary shares.

There will be no net proceeds of the issue of the Warrants.

The Group currently does not pay dividends on ordinary shares and has not paid such dividends for the last three years, as the Warrant Issuer’s board of directors determined this was in the best interest of the Group and will be reviewed annually by the Warrant Issuer’s board of directors. The Warrant Issuer’s policy on dividend distributions and any restrictions thereon is set out in Section C of Part 1 (*Key Information on the Securities*) of the Securities. For more information on dividends payable on Shares please refer to the LSE Prospectus.

## **2.3 Other Rights Information**

The Warrant Trustee will have the right to appoint, remove and replace one director to the board of directors (the “**Warrant Director**”). The method of appointment for the Warrant Director via instructions from Warrantholders will be set out in the Warrant Instrument. Any Warrant Director shall be considered a representative of the Warrant Issuer’s fully diluted equity interests. The Warrant Director shall sit on certain board committees following the Closing of

the Restructuring, including a remuneration committee, nomination and governance committee and strategic committee. The composition, and objectives, of each of those committees shall be agreed in the Warrant Instrument.

The Warrants will have certain reserved matters such that the Warrant Issuer (or any member of the Group) cannot undertake such measures without the prior written consent of the Warrant Trustee, which shall include:

- a) Approval of any amendments to the new articles of association to be instituted as part of the Restructuring adverse to the rights of the holders of the Warrants;
- b) Any insolvency process for the Warrant Issuer and certain of its subsidiaries that is conducted outside of the UK;
- c) Any alteration to the terms of the Warrants that is adverse to the rights and obligations of the holders of the Warrants; and
- d) The delisting of the Warrant Issuer or any changes to the listing status of the Warrant Issuer (other than where a special resolution of shareholders approves a transfer from the standard segment to the premium segment of the London Stock Exchange's main market).

The Warrants shall lapse upon the repayment of the SUNs in full.

The Warrants are not redeemable.

For detailed information related to ordinary shares rights please refer to Part 14 (*Additional Information*) of the LSE Prospectus. For other rights attaching to Warrants please refer to the Warrant Instrument.

### **3. Terms and Conditions of the Offer**

#### **3.1 Terms and Conditions of the Offer**

<b>Number of Warrants offered:</b>	<p>The Warrants will be issued to the Warrant Trustee in such amount as will, upon exercise in full, result in the issue of the Warrant Shares at their nominal value to the holders of the Existing Notes (or their nominee(s)) so as to increase the aggregate entitlement of holders of the Existing Notes, or their nominee(s), to ordinary shares from 88.89% to 90%, based upon the pro forma capitalisation of Nostrum immediately following Closing (but excluding entitlements under any new management incentive plan, long-term incentive plan or similar share scheme).</p> <p>Following the share consolidation, the Warrant Issuer is expected to have approximately 169.4 million ordinary shares in issue, with Warrants representing 18,801,358 Warrant Shares being issued to the Warrant Trustee.</p>
<b>Price / price range:</b>	<p>not applicable as the Warrants will be offered together with the SUNs.</p>
<b>Warrant Issuer:</b>	<p>Nostrum Oil &amp; Gas Plc.</p>
<b>Categories of potential investors:</b>	<p>The Notes will be allotted to the Existing Noteholders pursuant to the terms of the Restructuring. The Warrant Trustee will hold the Warrants on behalf of the holders from time to time of the SUNs, or their nominees.</p>
<b>Material interest and conflict of interests:</b>	<p>No person involved in the Offer has any interest in the Offer, which is material to the Offer.</p>
<b>Offer method and allotment</b>	<p>The Warrants (and the respective number of SUNs) will be offered to holders of the SUNs pro rata to their holding of the Existing Notes in exchange for a portion of the principal amount (but not the accrued interest) of the Group's debt under the Existing Notes. The Warrant Issuer reserves the right to reject any application submitted in the Offer at its own discretion. Allocation of the SUNs (with Warrants to be allotted proportionately in accordance with the terms of the Restructuring) (whether or not acquired through the Offer) will be made in accordance with all applicable terms and conditions of the Restructuring.</p>
<b>Offer Period, including the opening and closing dates:</b>	<p>On 8 February 2023, starting on 11:00 (Astana time) and ending on 15:00 (Astana time), which may be extended upon written request of the Bookrunner in accordance with the terms of the book-building agreement entered into with the</p>

	<p>AIX. The request for an extension of the AIX Offer will be made on the basis of the decision of the Issuer's competent authority, which will be published through the RAS.</p>
<b>Proposed date of allotment of Warrants</b>	<p>The allotment of the SUNs and the Warrants is expected to take place on the Allocation Date in accordance with the terms of the Restructuring.</p>
<b>Right to withdraw an application</b>	<p>Investors are allowed to withdraw their applications until 14:00 (Astana time) on the Offer Day. Since the SUNs and the Warrants will be offered for a non-cash consideration, there will be no cash transfers in case of a withdrawal of a submitted application.</p>
<b>Lead manager</b>	<p>JSC Halyk Finance registered at Republic of Kazakhstan, A05A1B9, Almaty, Abay Avenue, 109 B, 5<sup>th</sup> floor as Bookrunner. The Bookrunner will provide book-building services on the AIX on a best-efforts basis based on the agreement entered into between the Warrant Issuer and the Bookrunner dated 13 December 2022.</p>
<b>Authorisations</b>	<p>The issue of the Warrants (and Schedule 1 hereto – Securities Note for Warrants) was approved by the resolution the Warrant Issuer dated 24 January 2023.</p>
<b>Clearing and settlement</b>	<p>In order to participate in the Offer and submit their applications investors are required to have an account opened with a brokerage Nostrum admitted as an AIX Trading Member. As part of the Offer, no settlement of the SUNs and Warrants will be made on the AIX, allocation and distribution of the SUNs and Warrants will be made on the Effective date of the Restructuring in the Issuer's depository (DTC) and through the Warrant Trustee, respectively.</p>
<b>Notification process for investors</b>	<p>One day before the Offer day the Bookrunner will issue an announcement on the Offer and the AIX will issue the market notice setting out the terms and details of the book-building, allocation and settlement of securities as part of the Offer.</p> <p>The Warrant Issuer will not seek admission of the Warrants to the official list of and to trading on the AIX due to the fact that the Warrants: (1) will not be tradeable independently but will trade alongside the SUNs, and (2) represent securities convertible into Nostrum's ordinary shares to be admitted to the official list of the AIX.</p> <p>The Warrant Issuer intends to seek admission of the Warrants to the official List of TISE, Channel Islands in connection with the TISE Admission.</p>

	The TISE Admission is expected to become effective in the first half of February 2023.
<b>Right to subscribe for new shares and the number of new ordinary shares:</b>	Each Warrant grants a right to subscribe for one Warrant Share.
<b>Effect on capital structure:</b>	Please see Section 4.2.1 of this Securities Note and Part 6 ( <i>Information on the Restructuring</i> ) of the LSE Prospectus.
<b>Commissions / other fees payable by the Warrant Issuer:</b>	The total commissions, fees and expenses payable in connection with the Restructuring will be approximately US\$35-45 million excluding US\$22.7 million transferred to a blocked account under the terms of the forbearance agreement signed with the ad hoc group of holders of the Existing Notes during the Restructuring process.
<b>Methods of payment:</b>	The nominal value of the Warrant Shares will be paid up through application of converted subordinated debt established at or shortly after Closing of the Restructuring and held by the Warrant Trustee for the benefit of the holders of the SUNs.
<b>Conversion, exchange or subscription:</b>	The Warrants are not convertible or exchangeable. The Warrants grant a right to subscribe for ordinary shares of the Warrant Issuer.
<b>Procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised:</b>	The Warrants will be exercisable in full for the issue of the Warrant Shares, and shall lapse upon the repayment of the SUNs in full.

### 3.2 Plan of Distribution and Allotment

- (a) Warrants will be offered exclusively to holders of the Existing Notes for an in-kind consideration – waiver of by the holders of the Existing Notes of their claims to the Group under the Existing Notes.
- (b) Warrants will be issued to the Warrant Trustee who will hold the Warrants for the benefit of the holders of the Existing Notes pro rata to their holding of the Existing Notes in accordance with the terms of the Restructuring.
- (c) No pre-allotment disclosure relating to the division into tranches, conditions of a claw-back right, allotment methods, preferential treatment, subscriptions in the allotment, Closing conditions before the end of the offer period, or multiple subscriptions will be available.
- (d) No over-allotment option will be available.

## **4. Other Information**

### **4.1 Audit and Source of Information including Use of Expert Reports**

(a) *Accounts and reports of the Warrant Issuer*

Financial statements have been audited by Ernst & Young LLP.

Ernst & Young LLP was the independent auditor and reporting accountant of Nostrum who audited Financial statements. Ernst & Young LLP resigned as the auditors of Nostrum on 30 September 2022 and Nostrum is in the process of appointing replacement auditors. The accounting year end for the Warrant Issuer is 31 December. The Interim Financial Report 2022 were prepared in accordance with the IFRS and were not audited.

There has been no material adverse change in the financial or trading position of the Warrant Issuer or any material adverse changes to the Group or business or accounting policies since the Financial statements or any later Interim Financial Report 2022 has been published which would impact the liquidity of the Warrant Issuer.

(b) *Financial statements available*

For so long as the Warrants remain listed at TISE, the Warrant Issuer undertakes to make disclosures, including the financial statements, as per the applicable regulatory or exchange requirements.

(c) *Accounting policies*

The financial statements of the Warrant Issuer are prepared under the IFRS. Financial statements prepared by the Warrant Issuer in accordance with IFRS include a consolidated statement of income, a consolidated statement of financial position, a consolidated statement of changes in equity and a consolidated statement of cash flow.

### **4.2 Dilution Information**

(a) Following the implementation of the Restructuring, existing shareholders will own approximately 11.1% (which may be diluted on exercise of the Warrants to 10%) of the enlarged issued share capital in the Warrant Issuer. Therefore, there will be a dilution of approximately 88.9% (which may increase to 90% on exercise of the Warrants).

(b) Warrants shall (prior to exercise) have (i) anti-dilution protection with respect to the issuance of any additional Warrant Issuer shares (other than in respect of any management incentive plan, long-term incentive plan or similar share scheme) through the ability to subscribe for additional shares in the case of any new share issue or other dilutive event and (ii) dividend rights ranking *pari passu* with the ordinary shares.

### **4.3 Takeovers Information**

(a) Takeovers information including any bids and/or squeeze-out, sell-out requirements; and other relevant information, are set out in Part 9 (*Directors, Management and Corporate Governance*) of the LSE Prospectus.

(b) There have been no Takeover bids by third parties in respect of the Warrant Issuer's equity in the last financial year and the current financial year.

### **4.4 Investments by Controllers and any Lock-Up Arrangements**

(a) The disclosure on the related party arrangements in connection with the Restructuring and other related party transaction, are set out in Part 10 (*Principal Shareholders and Related Party Transactions*) of the LSE Prospectus.

(b) Information on any lock-up arrangements are set out in Part 6 (*Information on the Restructuring*) of the LSE Prospectus.

## **5. Information on the Offer**

### **Key dates**

Offer Day

Allocation Date

### **Actual date**

8 February 2023

the Effective Date of the Restructuring (on or about 9 February 2023)

## **SCHEDULE 2**

### **RESPONSIBILITY STATEMENT**

- a) The Issuer, having made all the reasonable enquiries, accept responsibility for this Prospectus and confirms that this Prospectus complies with the requirements set out in Section 69 of the AIFC Framework Regulations No. 918 of 2018 and Part 1 of the Market Rules.

Most of the information reflected in this Prospectus has been received by the Issuer from the Financial statements, constitutional documents, public data placed on the website of the authorized state bodies. The Issuer confirms that such information has been accurately reproduced and is able to ascertain from information published by such third parties that no facts have been omitted which would render the reproduced information inaccurate or misleading.

Neither the delivery of this Prospectus nor the placement, sale or delivery of any Notes shall in any circumstances create any implications that there has been no adverse change, or any event reasonably likely to involve an adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus.

On behalf of the Issuer, the Directors of the Issuer confirm that this Prospectus complies with the requirements set out in Section 69 of the AIFC Framework Regulations No. 918 of 2018 and Part 1 of the Market Rules and contains all information which is material in the context of the issue and offering of the Notes, that the information contained in this Prospectus is correct to the best of his knowledge and that no material facts or circumstances have been omitted.

- b) The persons responsible for the content of this Prospectus are those responsible for the content of this Prospectus in accordance with clauses (a) and (b) of this Schedule and MAR 1.9.1.