



Company's Profile

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Company's Profile

Embamunaigas Joint-Stock Company (hereinafter referred to as the Company) was founded in the Republic of Kazakhstan on February 27, 2012 as a result of the implementation of the decision of the Board of Directors of KazMunayGas Exploration Production JSC (hereinafter referred to as KMG EP) to establish new subsidiaries on the basis of production branches of KMG EP. The Company began its production activities on October 1, 2012, after obtaining subsoil use rights from KMG EP under contracts for the production and exploration of hydrocarbons, as well as assets and liabilities of Embamunaigas production branch.

KazMunayGas National Company JSC (KMG NC) is the trustee of 100% of the shares of KazMunayGas Exploration Production JSC in Embamunaigas JSC. KMG NC represents state interests in the oil and gas industry of Kazakhstan and is fully owned by Samruk-Kazyna National Welfare Fund JSC (Samruk-Kazyna NWF), which in turn is fully owned by the Government of the Republic of Kazakhstan (the Government).

The Company is engaged in the exploration, development, production and export of raw hydrocarbons. The Company's main operating oil and gas activity is performed at oil and gas assets located in Atyrau region of the Republic of Kazakhstan.

Development of oil fields included in the Company lasts for more than 100 years. The official history of the Company started in 1922 – since the establishment of Embaneft Trust for the development of the Dossor and Makat fields. On October 1, 2012, Embamunaigas was transformed into a joint-stock company after eight years as a production branch.

The Company supplies the produced oil for export and to the domestic market. Oil is supplied to the domestic market at oil refineries of Kazakhstan. Oil is exported via two main routes, such as the pipelines of the Caspian Pipeline Consortium (CPC) and Uzen – Atyrau – Samara

(UAS). The marketable gas is sold via the oil and gas national provider of the Republic of Kazakhstan – KazTransGas JSC.

Embamunaigas JSC has six structural units located in Atyrau and in four districts of Atyrau region: production structural units Zhaiymunaigas, Dossormunaigas, Kainarmunaigas, and Zhylyoimunaigas; and divisions Embamunaigenergo and Equipment Procurement and Maintenance (EP&M).

Embamunaigas JSC has 46 fields with residual oil reserves in categories A+B+C1 (oil-in-place/recoverable oil) of 470.6/85.6 mln tonnes. The average depletion of reserves is 70%.

Embamunaigas JSC operates in accordance with international standards ISO 9001, ISO 14001, OHSAS 18001, ISO 50001.

Business model

Data is provided as for the end of 2019

Our capital

Financial capital



Assets **410.2** billion tenge

Capital **297.2** billion tenge

Profit **450.9** billion tenge

Production capital



The subsoil use

8 contracts

85.6 mln tonnes of oil (ABC1)

or

35 mln tonnes of oil (2P) – total volume of reserves

46 deposits

2.8 mln tonnes of oil is the annual mean extraction

Experienced personnel



4,928 employees

More than **20** family dynasties

694 young professionals aged under 33 years

Advantageous geographical location



The Caspian depression which has a high potential for the discovery of the new oil and gas fields (near 65% of the hydrocarbon resources in the RoK)

Operating model

Mission / Vision / Values

OPERATIONAL PROCESSES

Geological exploration



Oil production



Gas production



Sales



Investment



STRATEGIC MANAGEMENT 

CORPORATE MANAGEMENT 

RISK MANAGEMENT 

FOREIGN ECONOMIC FACTORS

Average exchange rate
382.87 (tenge per 1 US dollar)

Increase by **11%**

Rate of inflation in
Kazakhstan – 5.75 %

Increase by **0.75 p.p.**

Average price of Brent
(DTD) – 64.21

Reduction by **10%**

The carrying out of the active geological exploration works contributes to the formation of the competitive reserves base

In the producing fields the Company carries out the oil production and intensifies it through the implementation of the new technologies in order to increase the oil recovery factor

The company upgrades the existing processing plants of the associated gas and constructs the new ones in order to produce the commercial gas, methanol, diesel fuel using the GTL technology

The export makes 93% of sales and the domestic consumption makes 7%

The company carries out the active investment operations to overcome the restrictions and to achieve the strategic goals

Value creation for the stakeholders

Shareholder

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Net profit
101.4 bln tenge

ROACE
33%

EVA
172.8 mln US dollars

Oil production
2,899.7 thous. tonnes

EBITDA
430.2 mln US dollars

CAPEX
40.2 bln tenge

State

p. 50

Taxes except the Corporate income tax p.a.
160.1 bln tenge

Income tax p.a.
30.3 bln tenge

Staff

p. 85

Social payments to the employees p.a.
1.04 bln tenge

Staff turnover
2.9%

Remuneration of the employees
51.4 bln tenge

350 employees participated in the modular training programs

Expenses for security and occupational safety
1.3 bln tenge

700 young specialists are part of the Youth Council

Local communities

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Allocated for the infrastructure development in Atyrau region
126.5 bln tenge

The proportion of the local content in the procurement
91%

ISO International standards 9001, ISO 14001, OHSAS 18001, ISO 50001.

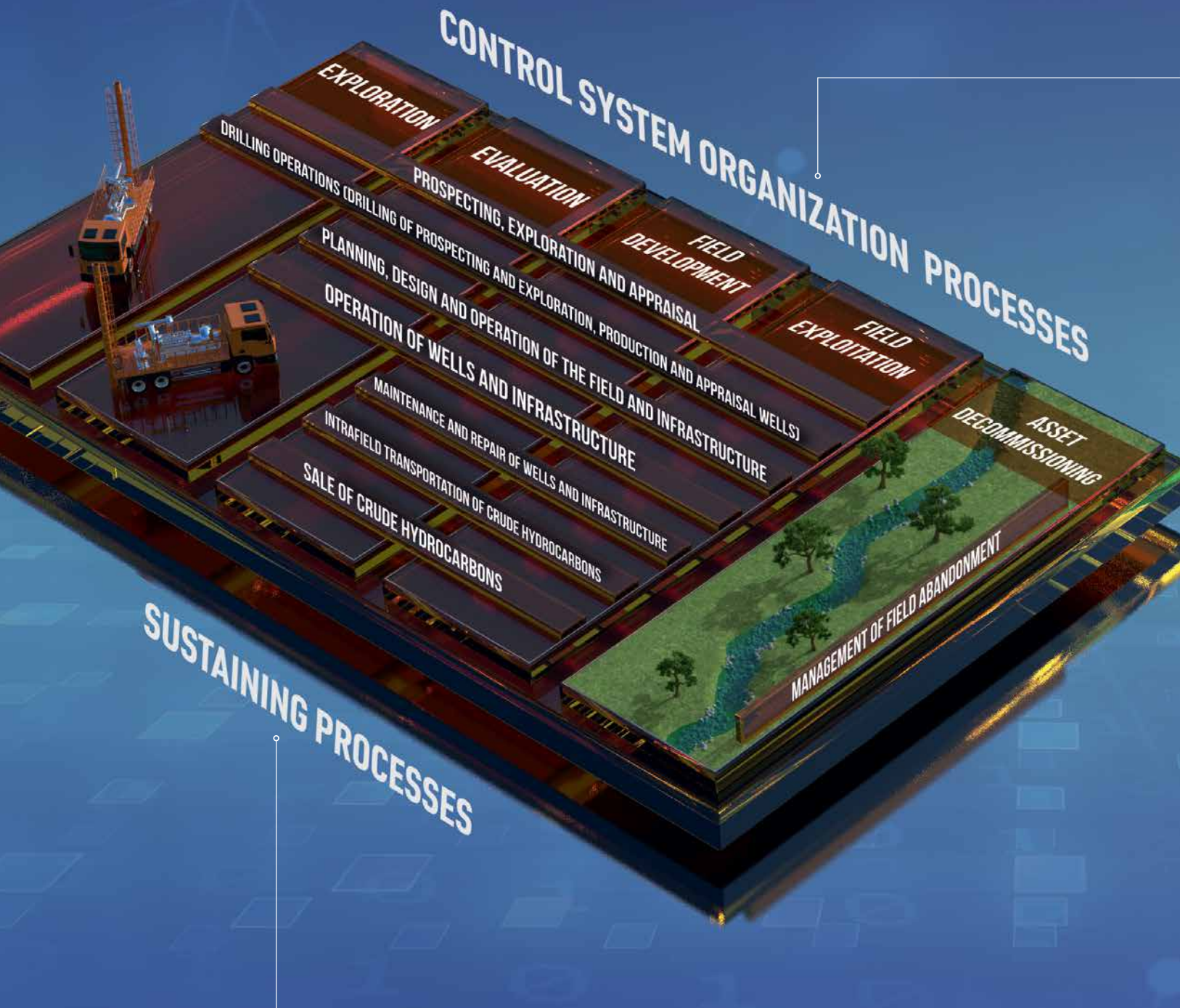
During the year
41 students received the dual training

Energy Efficiency Index
0.050 toe/t.

90% level of the associated gas utilization

38 ha of the historically contaminated territories were cleared over the year

Business Map



The Company is engaged in the exploration, development, production and export of raw hydrocarbons. The Company's main operating oil and gas activity is performed at oil and gas assets located in Atyrau Region of the Republic of Kazakhstan.

CONTROL SYSTEM ORGANIZATION PROCESSES

- Strategy Management
- Production Planning, Budgeting and Investment Analysis
- Asset Portfolio Management
- Performance and Quality Management
- Internal Audit
- Risk Management and Internal Control
- Stakeholder Relation Management

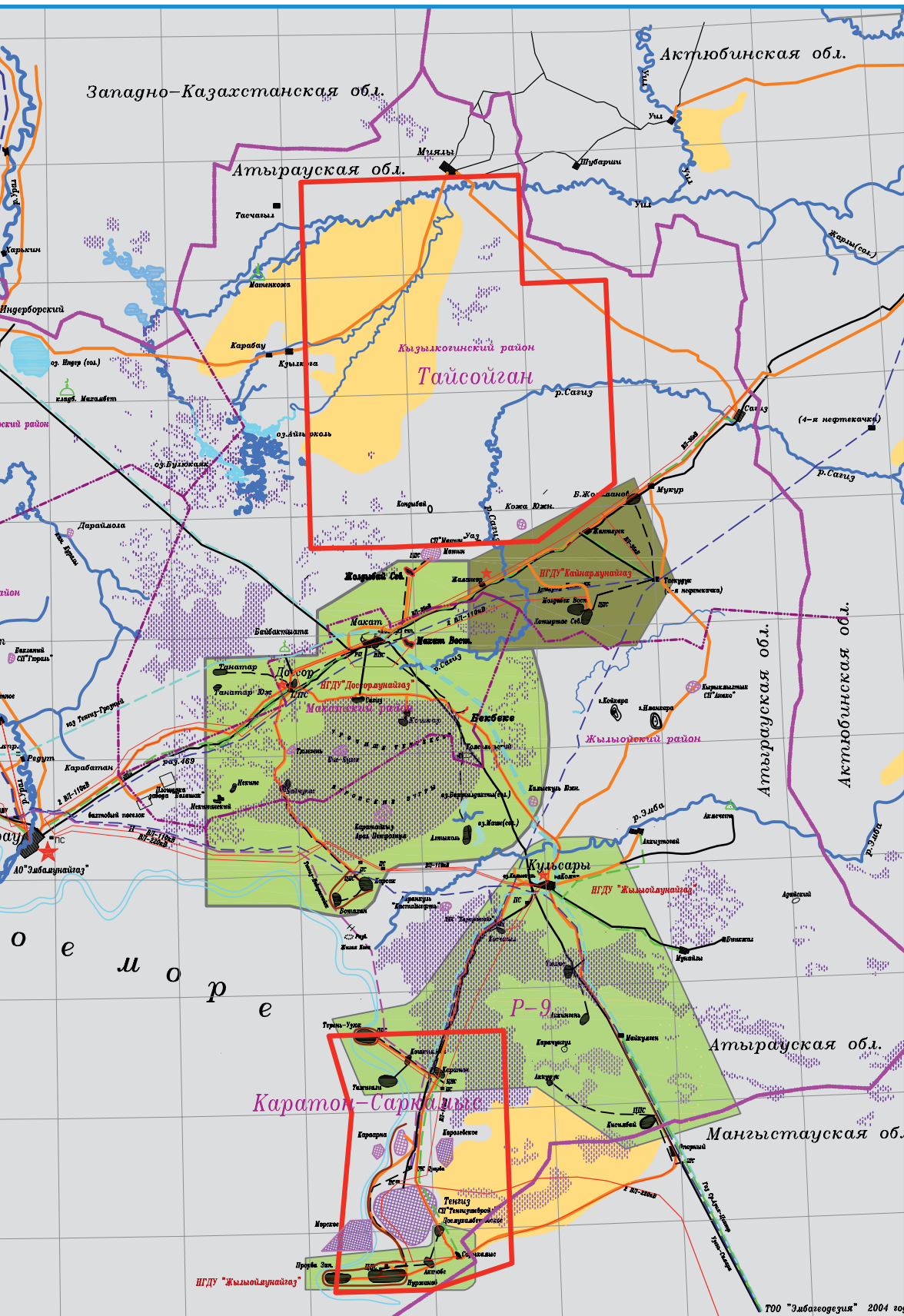
SUSTAINING PROCESSES

- HR. Personnel Management
- HSE
- Finance Management
- Legal Support
- Procurement Management
- Production Automation and IT Management
- Data Management
- Innovative and Technological Development Management
- Corporate Governance
- Administrative Operations

Geographic Reach

Обзорная карта
района деятельности
АО "Эмбаунайгаз"
Масштаб 1:500000





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Appendix Financial Statements

