UKRNAFTA

Current state and cooperation opportunities

November 2025

UKRNAFTA IS A LEADING UKRAINIAN OIL AND GAS PRODUCTION COMPANY WITH SIGNIFICANT GROWTH PROSPECTIVES

Ukrnafta JSC is the largest oil company in Ukraine with a share of **oil and gas condensate** production of **more than 65%** of the nation's production and significant reserves of both oil and natural gas.

KEY INFORMATION:

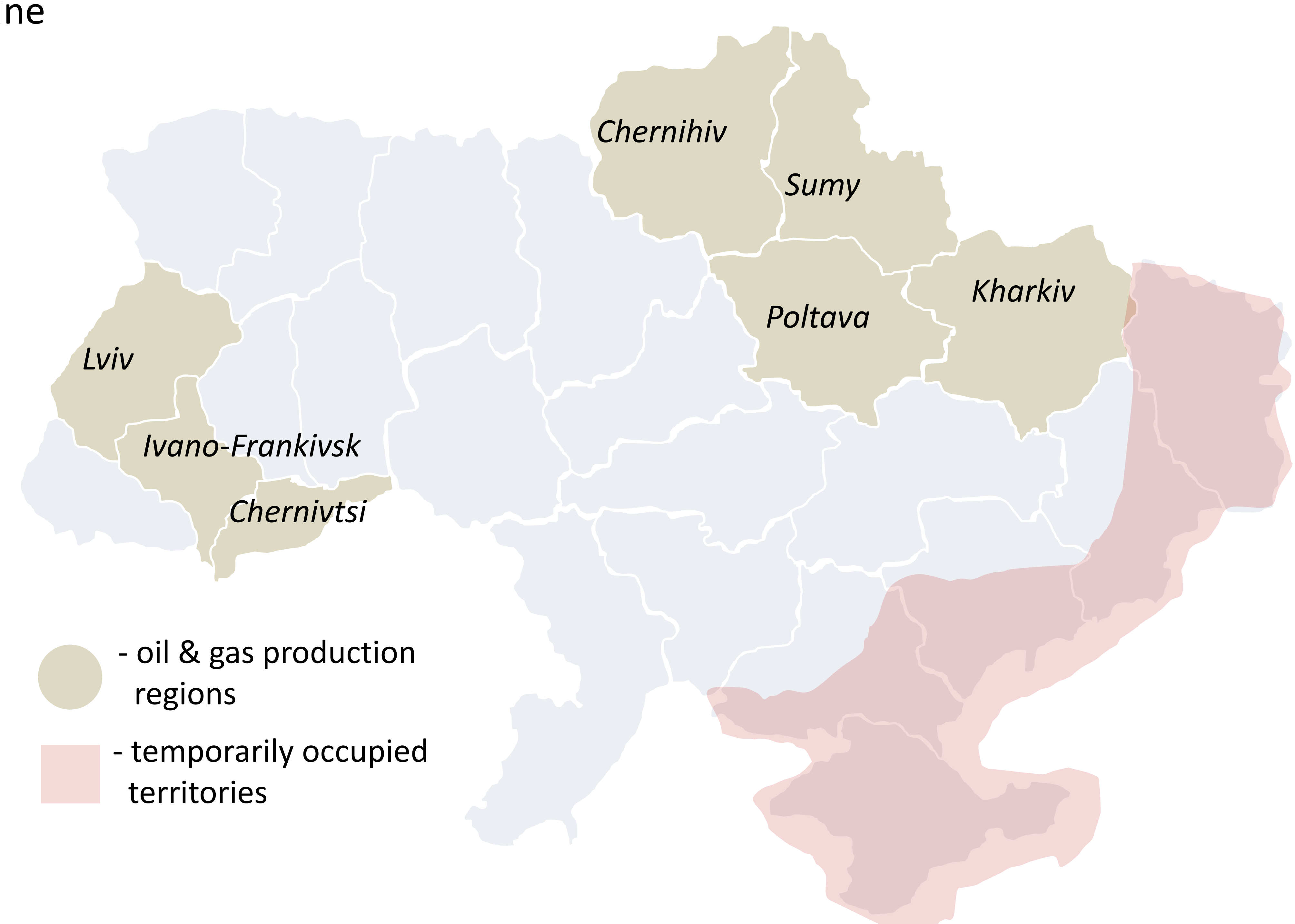
- The Company is a Joint Stock Company
- Exploration and production is carried out in a few regions in the West and East of Ukraine, the gas station chain is represented almost throughout the whole country
- 50% + 1 share belongs to National Joint Stock Company Naftogaz of Ukraine, 50% - 1 share belongs to the Ministry of Defense of Ukraine

COMPANY'S STRUCTURE:

- Business units Ukrnafta-East and Ukrnafta-West
  - 6 oil and gas production directorates
  - 3 gas processing plants
- Oilfield Service Department (full range of oilfield services)
- Separate unit for exploratory and operational drilling and well repairs
- Scientific and Design Institute

THE MAIN ACTIVITIES OF THE COMPANY:

- Exploration, production and sale of oil and gas
- Gas processing and oil treatment
- Wholesale sales of oil, oil products and gas
- Operation of the gas station chain



- oil & gas production regions
- temporarily occupied territories

UKRNAFTA AT A GLANCE

Crude oil production

▲0.6% (y/y)

1,418 th tonnes **2024** — 1,410 th tonnes **2023**

Natural gas production

▲6.7% (y/y)

1,171 mcm **2024** — 1,097 mcm **2023**

Oil & Gas fields

93 fields — **8,540** **area** sq. km

Incl. 6,324 sq. km of greenfield

2P oil reserves

23 mln tonnes

Active wells (as of December 31, 2024)

1,817 Oil wells — **164** Gas wells

Petroleum products wholesale and retail sales

2,162 th tonnes

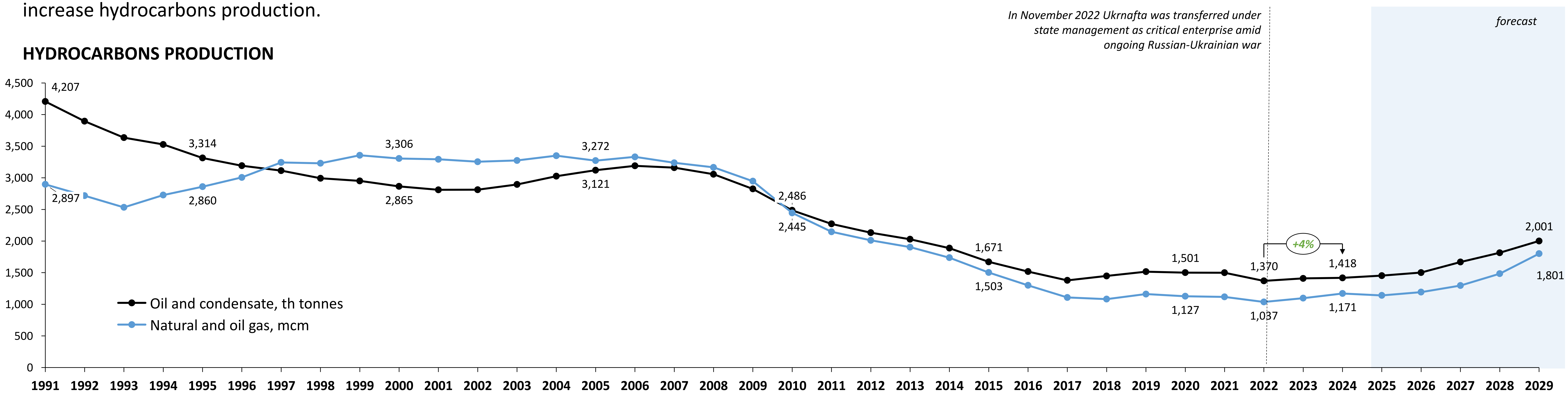
Gas station chain (as of December 31, 2024)

462 gas station

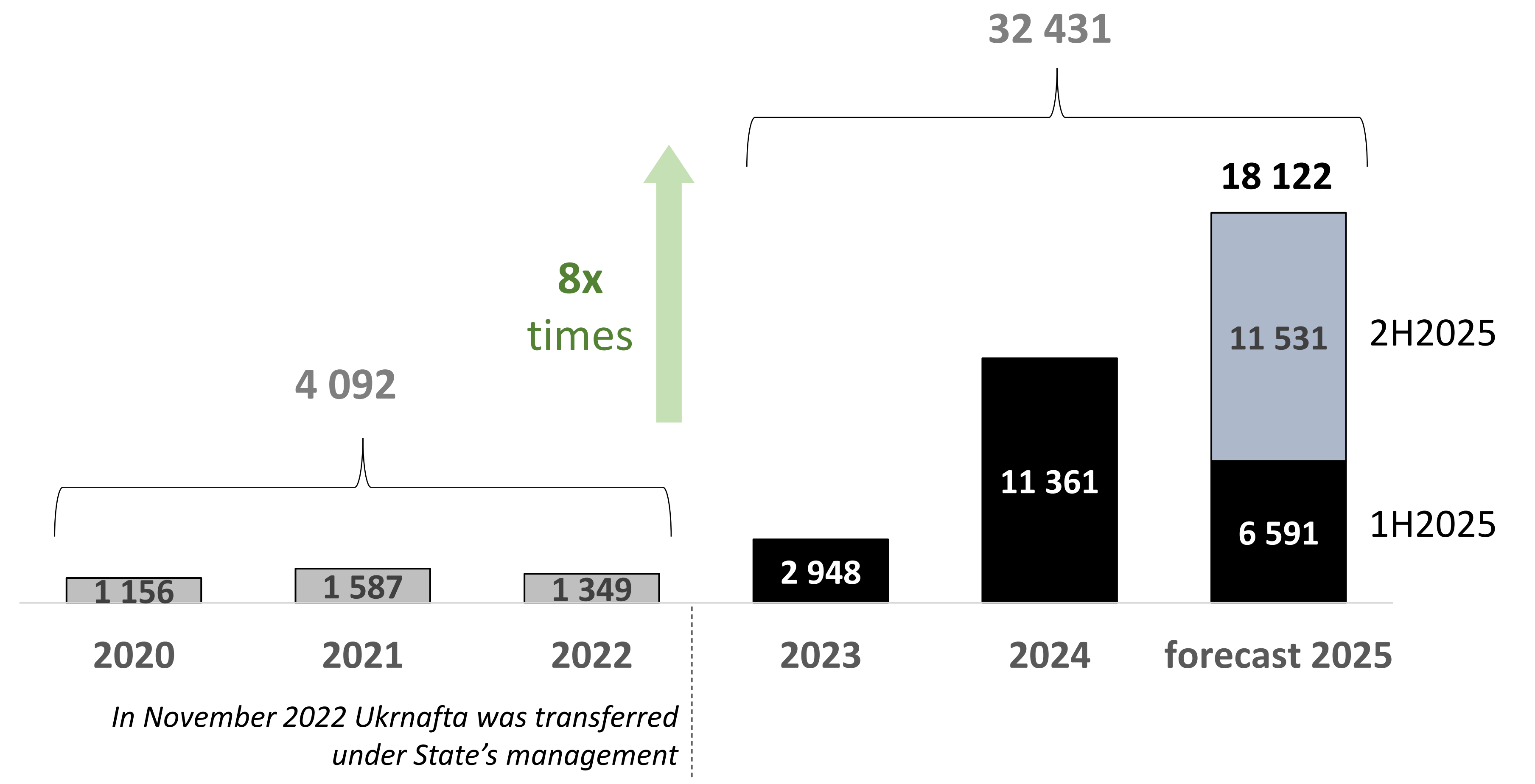
SINCE 2023, UKRNAFTA HAS CHANGED THE LONG TREND OF DECLINING HYDROCARBON PRODUCTION TO GRADUAL GROWTH

After transfer of Ukrnafta under State's management Ukrnafta (i) increased investment budget and (ii) expanded drilling and workovers program, and, as a result, started to increase hydrocarbons production.

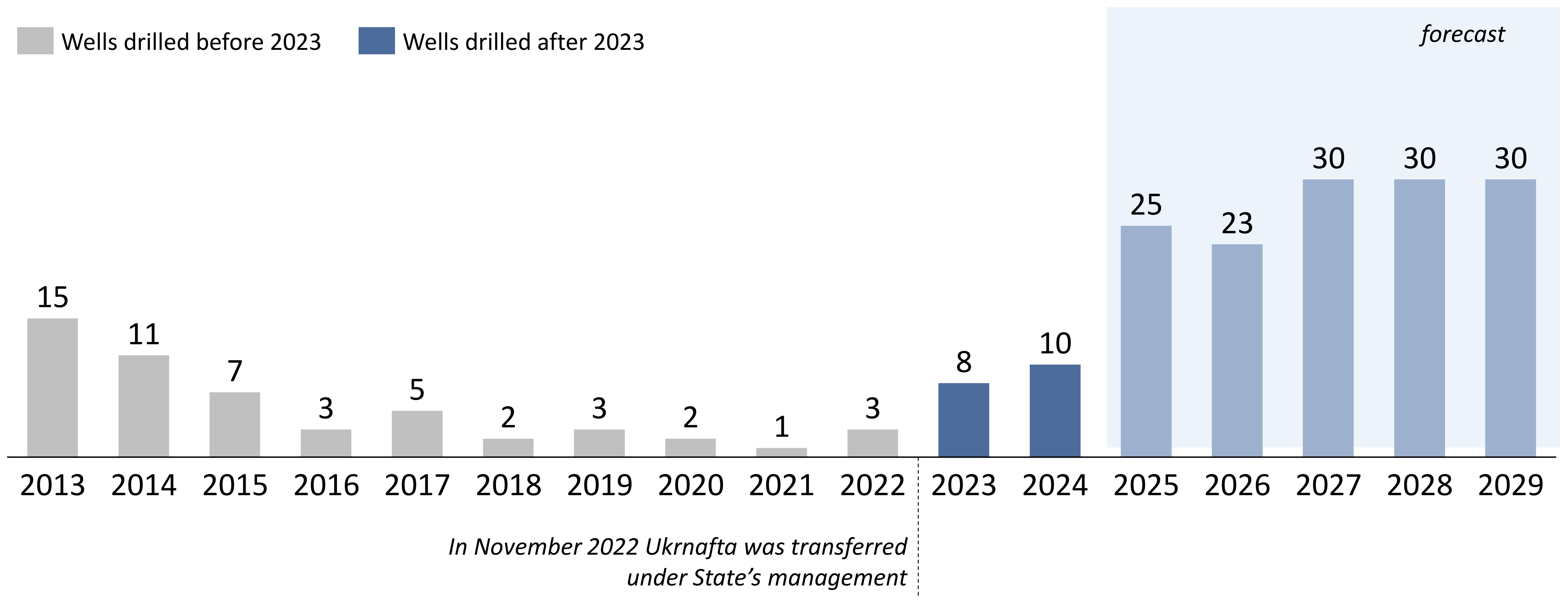
HYDROCARBONS PRODUCTION



DYNAMICS OF CAPITAL INVESTMENTS *UAH mln, net of VAT*



DYNAMICS OF DRILLING *wells*



UKRNAFTA IS ATTRACTING INVESTMENTS FOR REPLACEMENT OF GASMOTORCOMPRESSORS AT UKRNAFTA'S GAS PROCESSING PLANTS

Due to the high degree of depreciation, the existing equipment of compressor stations at gas processing plants is characterized by inefficiency and significant emissions of pollutants into the atmosphere. The project is aimed at replacing existing gas motor compressors at **6 production sites with modern,** more efficient equipment.

Planned scope and status of work

283 mln USD — Planned volume of capital investments

3 years — Planned duration of the project

3 GPPs (6 sites) — Planned scope of the project

A feasibility study was carried out for 5 sites, for 1 site the feasibility study is being completed — Current status of the project

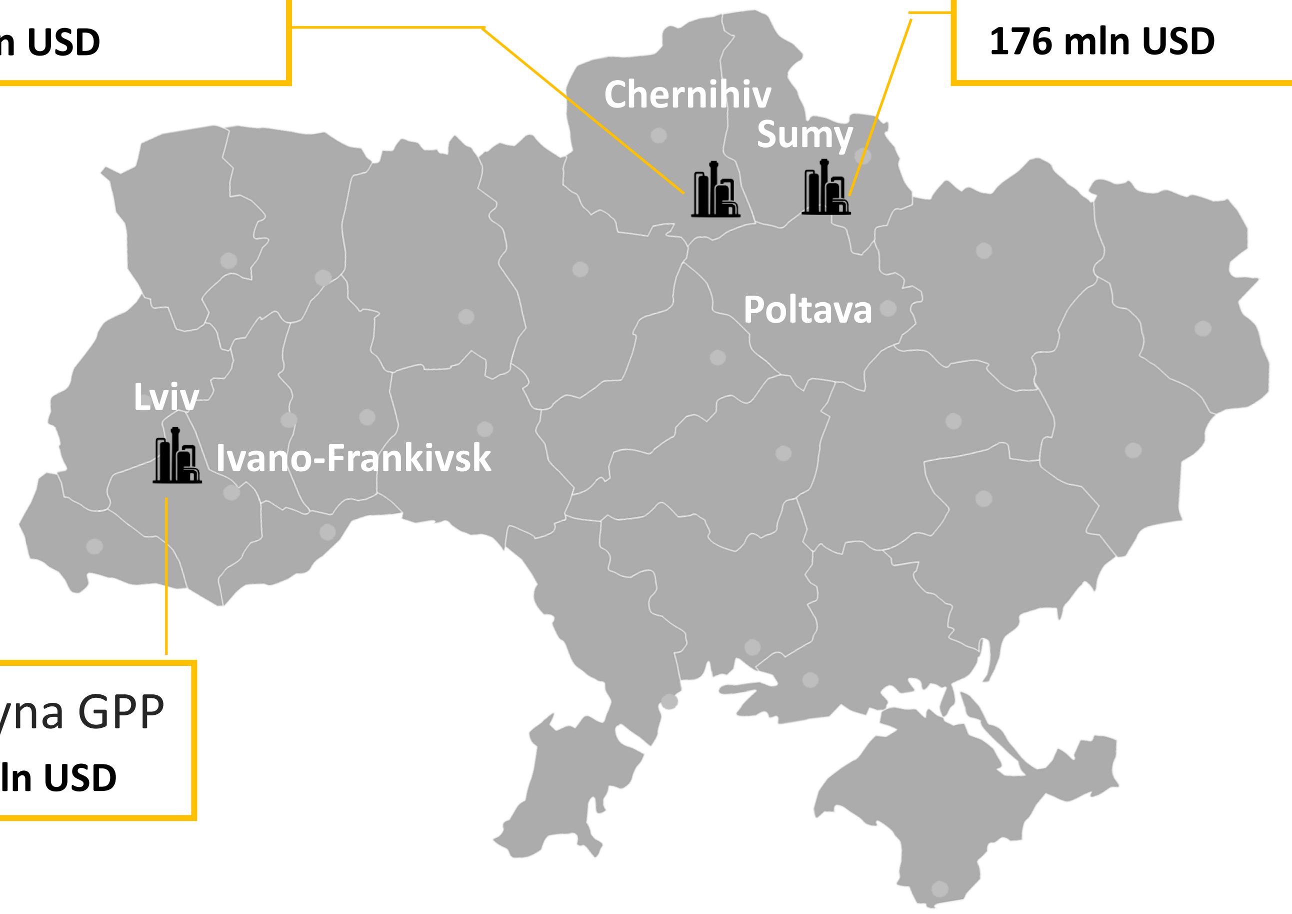
Expected results

- **Increased work efficiency:** modern gas compressors provide optimal work efficiency. When processing an equivalent volume of gas, they use a much smaller amount of energy, reducing, among other, CO_2 emissions.
- **Improved maintenance and minimized downtime:** Modern compressors require less frequent maintenance and are less inclined to mechanical failure. This efficiency reduces the need for repair operations and reduces production downtime.
- **Regulatory Compliance:** Modern compressors meet stringent environmental regulations that cover energy efficiency and emissions standards.

Location of facilities

Hnidyntsi GPP
8 mln USD

Kachanivka GPP
176 mln USD



Dolyna GPP
99 mln USD

Planned amount of capital expenditures includes cost of design & survey works, cost of necessary equipment and construction & installation works.

CAPEX type	Pasichna Gas Proc. Workshop (Dolyna GPP)	Dolyna Gas Proc. Workshop (Dolyna GPP)	Hnidyntsi Gas Proc. Workshop (Hnidyntsi GPP)	Kachanivka Gas & Cond. Prep. and Pump. Workshop (Kachanivka GPP)	Hlynsko-Rozbyshiv Gas and Cond. Prep. and Pump. Workshop (Kachanivka GPP)	Anastasivskyi Compressor and Gas Processing Facility (Kachanivka GPP)	TOTAL
TOTAL, $ mln	**55.5**	**43.4**	**7.9**	**38.0**	**59.6**	**78.9**	**283.3**
Design and survey work	0.6	0.8	0.4	0.6	0.6	0.3	**3.3**
Compressor station (CS)	24.8	15.7	4.6	12.3	21.6	32.0	**111.0**
Technological gas treatment unit (TGTU)	11.5	12.1	-	15.6	14.6	7.8	**61.5**
Other equipment, construction and installation works (CIW)	18.6	14.8	2.9	9.5	22.9	38.8	**107.5**

UKRNAFTA OFFERS OPPORTUNITY FOR UNCONVENTIONAL OIL PRODUCTION AT OLESKA AREA

Ukraine holds sizeable untapped reserves of unconventional oil and gas. The most prospective area with vast unconventional oil resources is **Oleska area**, situated on the West of Ukraine.

After the war ending Ukrnafta (that is the *only* part of the Oleska area PSA) plans to develop the area by its own or within partnership with Ukrainian or international investors.

- **Objective:** To **attract investors** to the **exploration and development** of the Oleska area to achieve the **largest economically viable** hydrocarbon production volumes. We would like to involve experienced partners to fully unleash the potential of Oleska area.
- **Partner's role:** To provide investments and expertise to explore and develop fields with unconventional hydrocarbons reserves.
- **Contractual framework:** We are open to negotiating different contract structures, primarily consider **production-sharing agreement**.
- **Operations:** The partner or Ukrnafta will execute the proposed field development program, operatorship function will be detailed described into **Joint Operation Agreement**.

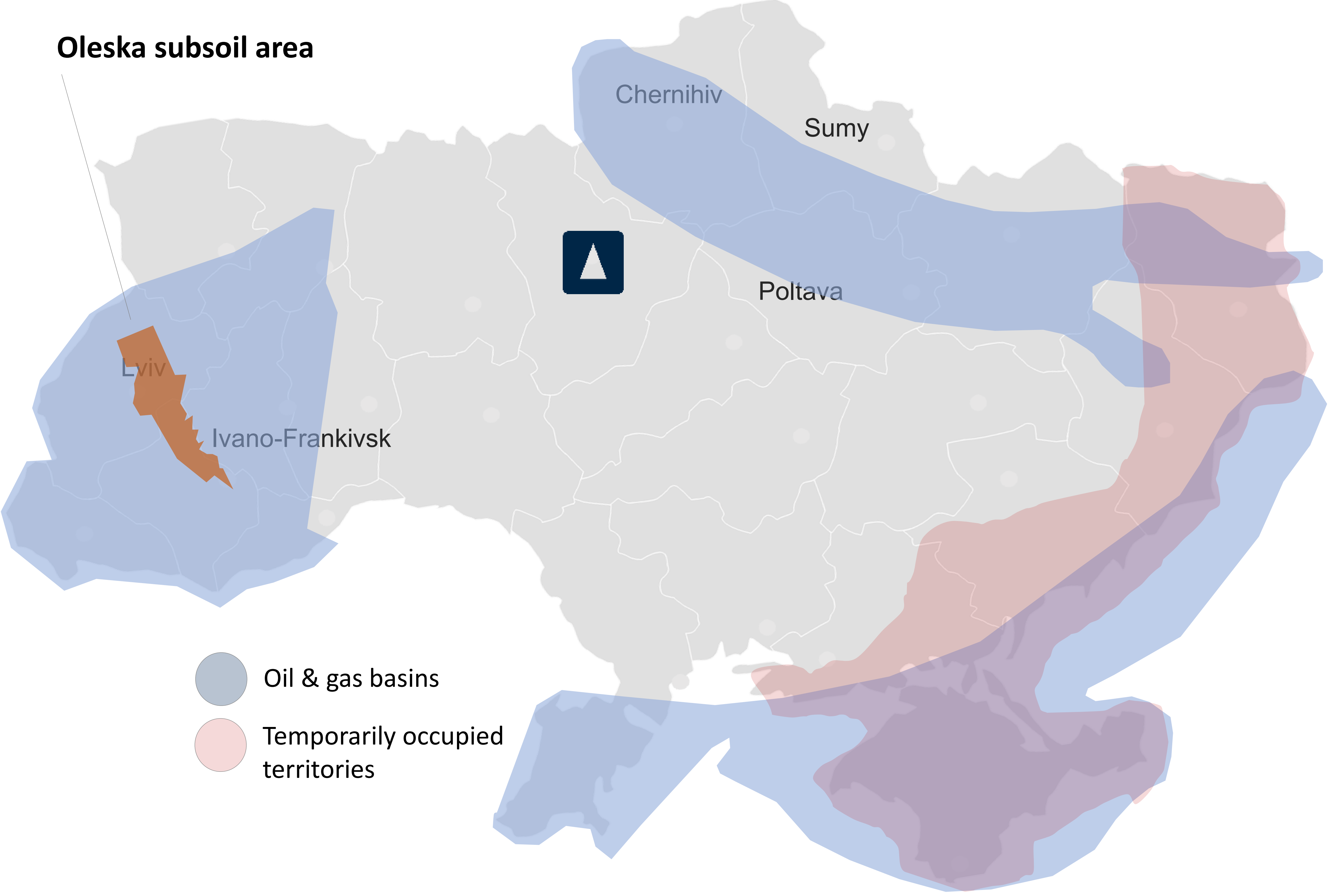
29.0 mt	CONVENTIONAL OIL
27.0 bcm	CONVENTIONAL GAS
1.6 tcm	UNCONVENTIONAL HYDROCARBONS
1.4 tcm	GAS FROM COMPACTED RESERVOIR ROCKS

6,324 sq. km — AREA

TYPES OF RESOURCES

- Natural gas
- Shale gas
- Central basin type gas
- Gas condensate
- Crude oil
- Gas from coal deposits

Oleska subsoil area



UKRNAFTA IS ATTRACTING INVESTMENTS FOR COMPREHENSIVE MODERNIZATION OF KREMENCHUK OIL REFINERY

ESTIMATED INVESTMENTS

2.7 billion USD

MODERNIZATION DETAILS:

- **Construction of modern secondary refining processes to increase refining depth, % of diesel fuel output and bitumen production:** hydrocracking, slow coking. The focus is on diesel fuel production
- **Production of high-margin petrochemicals, such as paraxylene** (construction of aromatics complex based on technologies from global licensors)
- **Production of high-quality Group III base oils** based on hydrocracker gas oil to meet the needs of the domestic market

IMPLEMENTATION TIME

~3 years

PLANNED OUTCOMES:

- **11 million tonnes of refining per year**
- **95% refining depth**
- Production of gasoline and diesel fuel - **75%** of the Ukrainian market demand; bitumen - **50%**; JET, oils - **100%**
- Increase in production of aviation fuel (JET A-1) to meet the demand of the Ukrainian market
- Possibility of involving in sulfuric oils refining, which sold at a discount to Brent crude oil (e.g., Arabian sulfuric oils: -$3.5 to $3.7)
- Implementation of green technologies for electricity and biofuels production (bio-diesel, bio-JET, bio-hydrogen, bio-ethanol, etc.)
- Reducing specific refining costs to a level competitive with the leading refineries

PROJECTS PARTICIPANTS

Agreement Reached:

Axens
Powering integrated solutions

In the process of negotiations:

HYUNDAI CONSTRUCTION EQUIPMENT

JGC

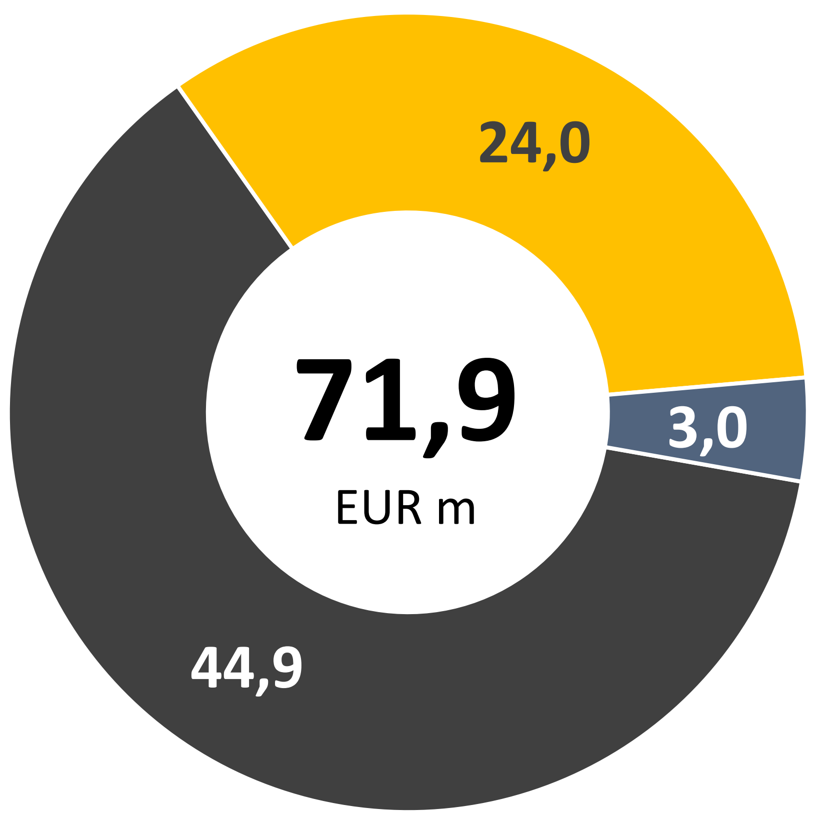
Honeywell UOP

IMPLEMENTATION OF POWER GENERATION PROJECTS OF UKRNAFTA REQUIRES ADDITIONAL FINANCIAL SUPPORT

Successful track record

Ukrnafta has already secured over **EUR 150 m** in grant funding from international partners to support the implementation of power generation projects. This funding enables the development of two modern combined-cycle gas turbine (CCGT) power plants, which will contribute a total of **up to 288 MW** of electricity capacity to the Ukrainian energy system. However, these projects still require extra funding, envisaging additionality of provided support.

Current financing needs



Dnipro Region, Combined-Cycle Gas Turbine (CCGT) power plant,

38 MW

IKG (Germany) agreed to donate the complete CCGT power plant to Ukrnafta.
Ukrnafta has already signed the donation agreement with IKG and allocated funds for procurement of the Power Plant's dismantling. Previously, ERCC ECHO agreed to finance logistics of the plant but the decision was withdrawn because the time window was missed.
The promptly provided donor's funding for remaining assembling component could enable launch of the facility in Ukraine till the start of the 2025-2026 heating season and to provide the electricity to the grid with district heating to local households. The additional funding required for commissioning of the power plant in Ukraine, including costs for transportation of the dismantled power plant (*2,0 EUR m*) and reassembling and construction works for the power plant (*22,0 EUR m*).

Green Transition and ESG Plans Implementation

Ukrnafta is moving towards green transition to decrees its carbon footprint. In addition, mobilized leverage is associated with committing to Environmental and Social Action Plans aligned with IFIs: (i) ESG best practices implementation, (ii) Sustainability and ESG strategy development, (iii) Non-financial reporting implementation (EU CSRD/ESRS), (iv) Decarbonization Plan implementation (including Carbon Footprint Assessment) and (v) Capacity building (training programs)

Dnipro Region, Combined-Cycle Gas Turbine (CCGT) power plant,

250 MW

NORAD and SIDA made anchor donations to enable implementation of the project. **EUR 75 m were secured** in grants from Norwegian and Swedish Governments additionally mobilizing such institutions like Swedfund and MSB (The Swedish Civil Contingency Agency).
In addition, Ukrnafta signed **loan agreement with EBRD for EUR 160 m** to finance EPC contractor engagement for the whole project.
Phase 1, simple cycle: ~ 170 MW implying 3x Siemens SGT-800 gas turbines
Phase 2, combined cycle: +80 MW Siemens SST-800 steam turbine + Heat Recovery Boiler. An additional funding for Phase 2 equipment and professional consultants' engagement is still required to complete the project, including: Steam turbine (*21,0 EUR m*), Heat recovery boiler (*15,3 EUR m*), Other electrical equipment (*EUR 4,5 m*) and Owner's/Lender's engineer (*EUR 4,1 m*)

CONTACT DETAILS

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