

International Forum to Attract Foreign Investments in Turkmenistan's Energy Sector



YUG-NEFTEGAZ

16 years of successful work in
Turkmenistan, experience and
development plans

YUG-NEFTEGAZ: A full range of services in the field of oil and gas production

Exploration and development of hydrocarbon licenses and blocks



Refining and trading of petroleum products



Performing field geophysical surveys



Drilling of oil and gas wells and drilling equipment rental



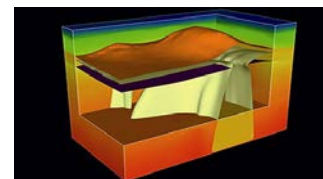
Well workovers and production stimulation



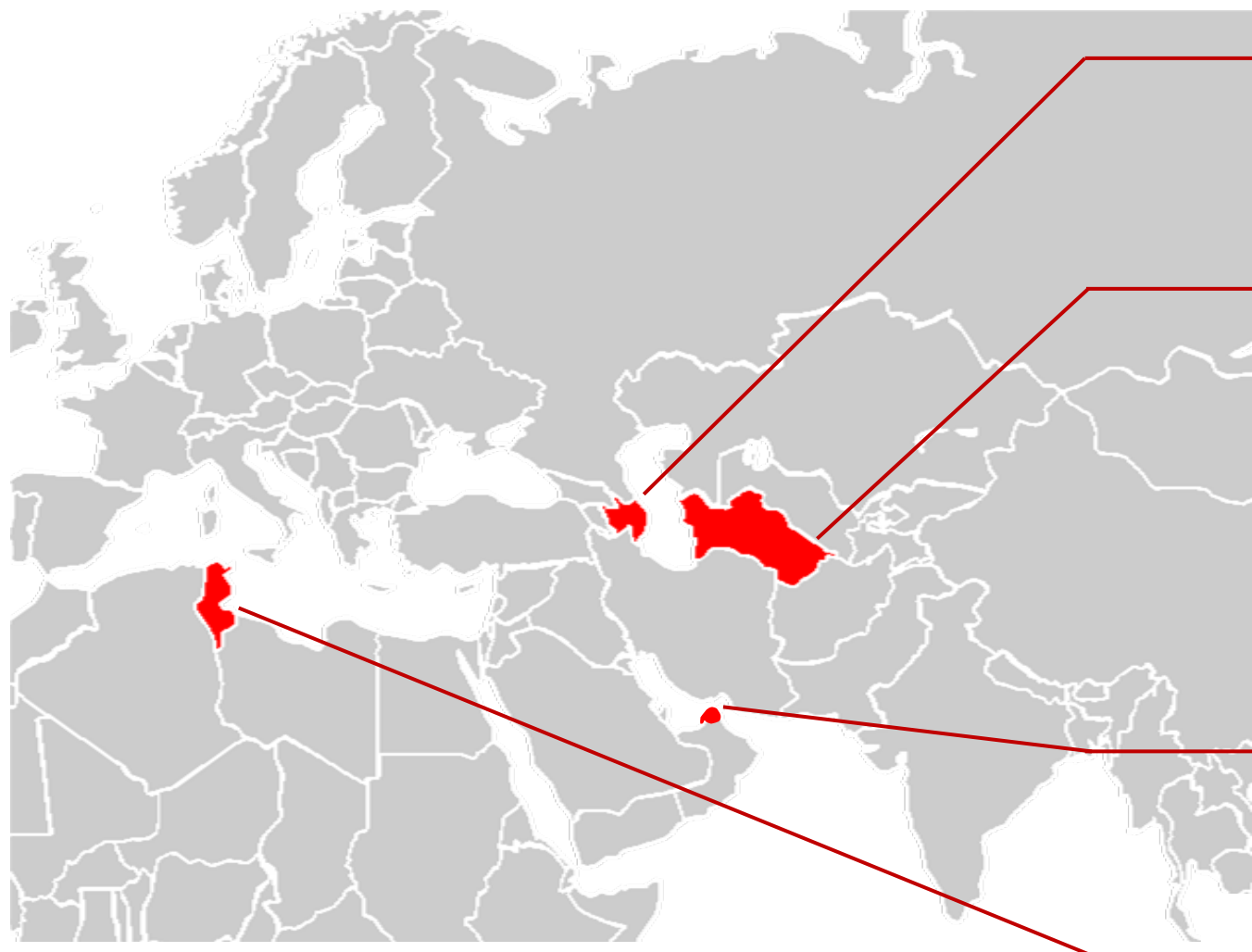
Construction and modernization of oil and gas infrastructure



Seismic data processing and interpretation



YUG-NEFTEGAZ: Geography of our presence



YUG-NEFTEGAZ Azerbaijan

- Implementation of logistics for the trading of oil and oil products



YUG-NEFTEGAZ Turkmenistan

For SC «Turkmennebyt»

- Provision of a full range of works on exploration, drilling and maintenance of wells
- Performance of workovers of wells and stimulation of production
- Service and rental of drilling equipment

For SC «Turkmengology»

- Seismic surveys of new deposits

Conducting oil refining activities under a tolling contract at the facilities of the Turkmenbashi refinery complex



YUG-NEFTEGAZ UAE

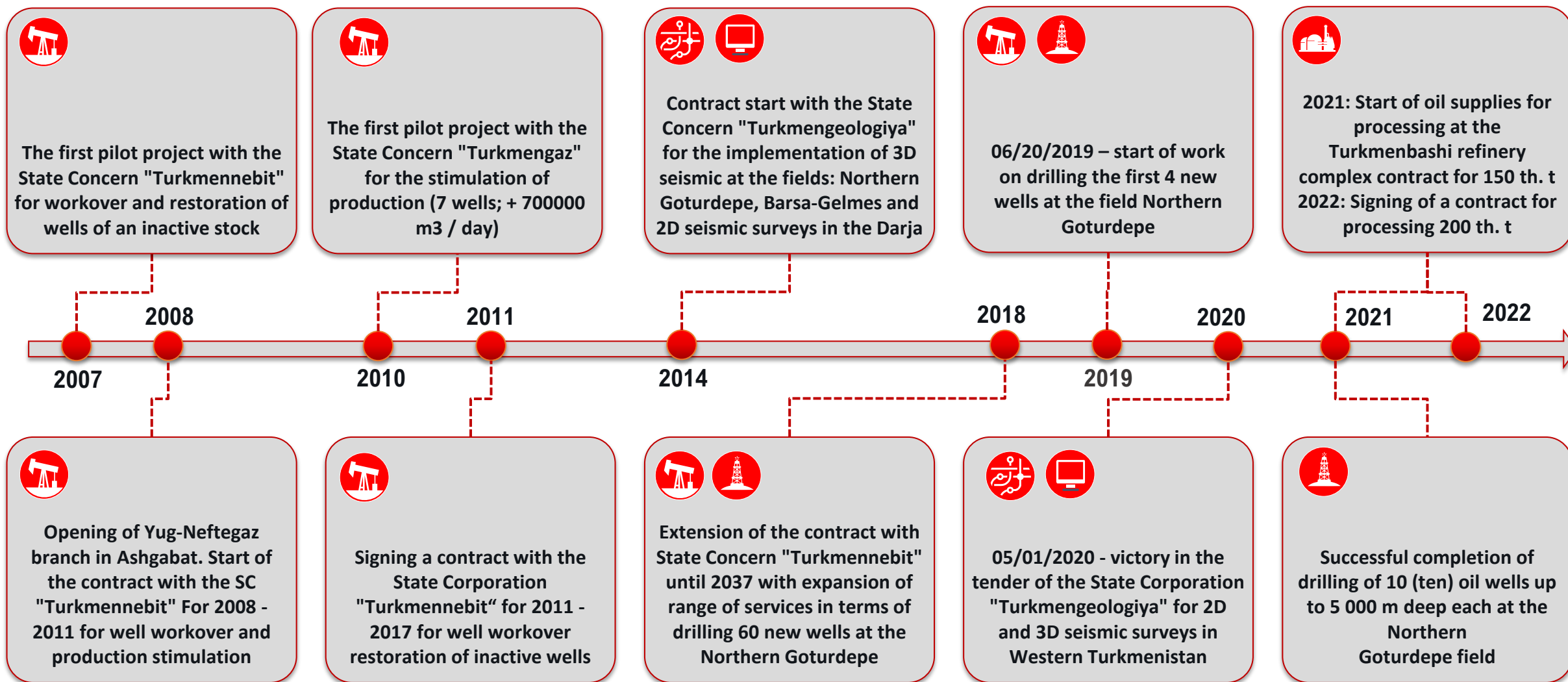
- Conduction oil and oil products trading activities



YUG-NEFTEGAZ Tunisia

- Seismic surveys conduction
- Drilling of exploration and production wells under the PSA

YUG-NEFTEGAZ: Our history and experience in Turkmenistan



YUG-NEFTEGAZ: Turkmenistan activities

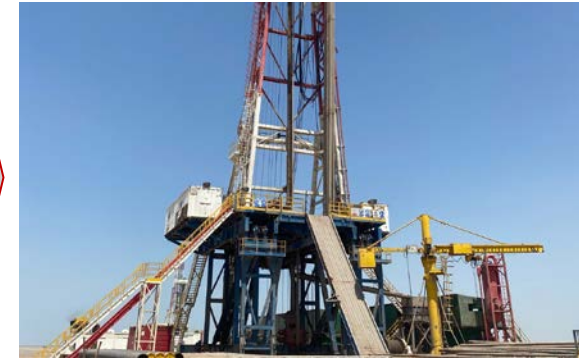


LOCATION OF ACTIVITIES (DEPOSITS):

- Barsa-Gelmes
- Goturdepe , Northern Goturdepe
- Gamishlja
- South Gamishlja
- Keymyr

DRILLING:

- 5 drilling systems ZJ-70
- 15 wells were drilled.
- 5 wells under drilling



GEOPHYSICAL WORKS:

- Over 100 vehicles
- Field seismic works 3D - 1015 km²
- Field seismic works 2D - 874 km

WORKOVER AND WELLS INTENSIFICATION

- Over 150 vehicles
- Over 1975 well operations completed*



* From the start of activity in Turkmenistan

EFFECTIVNESS OF INVESTMENT: Our approach to doing business

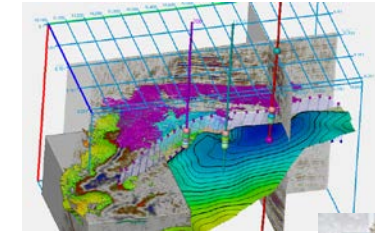


YUG-NEFTEGAZ

- THE COMPANY'S APPROACH TO OPERATION IS PRINCIPALLY SIMPLE AND CONSISTS OF 5 STEPS
- THE EFFICIENCY OF A COMPANY'S INVESTMENTS DIRECTLY DEPENDS ON THE QUALITY OF CARRIED OUT RESEARCH AND PREPARATORY WORKS

No 1

EVALUATION OF THE STATUS OF THE WELLS AND THE SELECTION OF MEASURES FOR REPAIR / INTENSIFICATION OF PRODUCTION



No 2

APPROVAL OF THE WORK PROGRAM AND FIXING OF THE "BASE LEVEL" OF PRODUCTION FROM THE WELLS



No 3

PERFORMANCE OF WORK IN ACCORDANCE WITH THE PROGRAM IN THE TIME AGREED BY THE CUSTOMER



No 4

DELIVERY OF THE FACILITY TO THE CUSTOMER, FIXING THE COSTS AND THE ACHIEVED LEVEL OF PRODUCTION OF "NEW OIL"



No 5

RECEIVING COMPENSATION FOR COSTS INSURED IN THE VOLUME OF "NEW OIL" FOR EXPORT AND REFINING

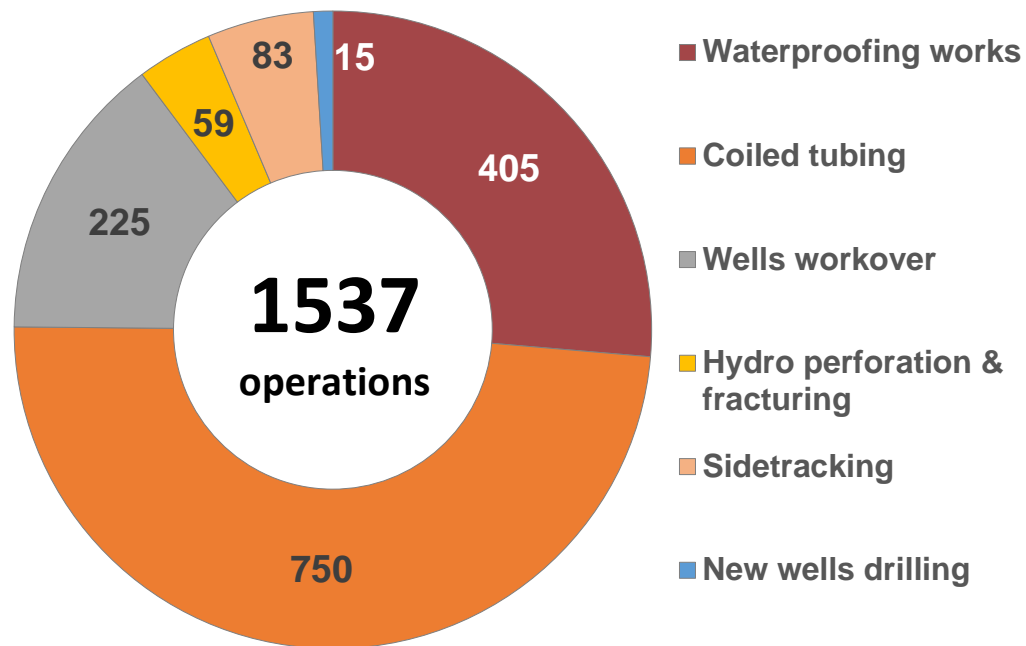


EFFICIENCY OF INVESTMENT: Scope of works

SUCCESSIVE TRANSITION FROM LOW-COST TO MORE COMPLEX OPERATIONS MADE GROWTH IN NEW OIL PRODUCTION

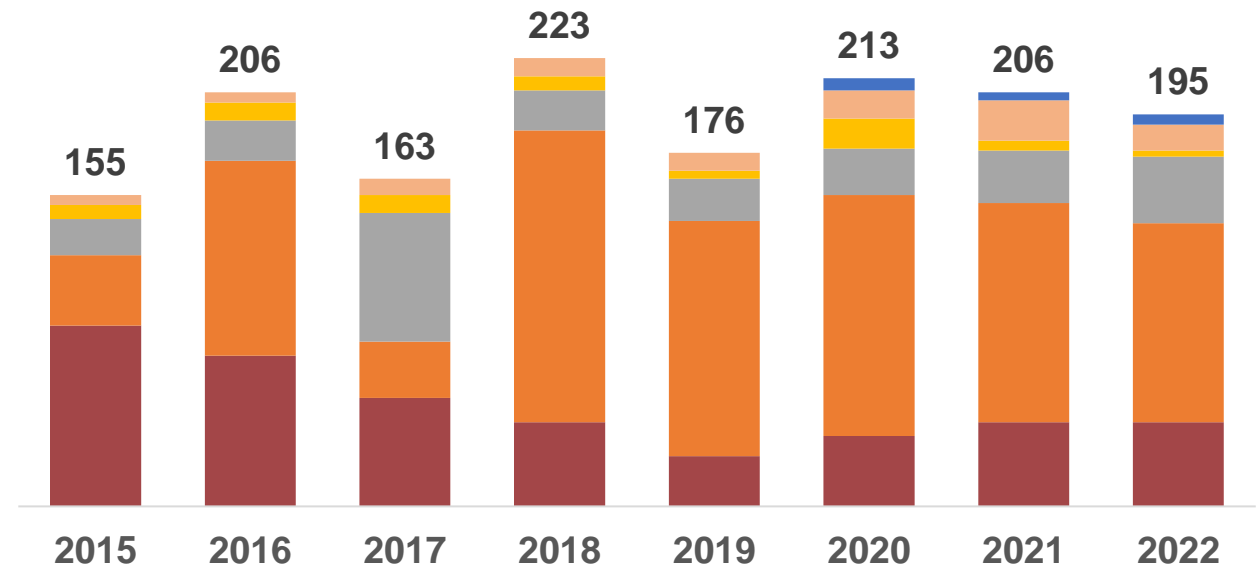
STRUCTURE OF WORK CARRIED OUT BY THE COMPANY

units



DYNAMICS OF CHANGES IN THE VOLUME AND STRUCTURE OF WORK

units

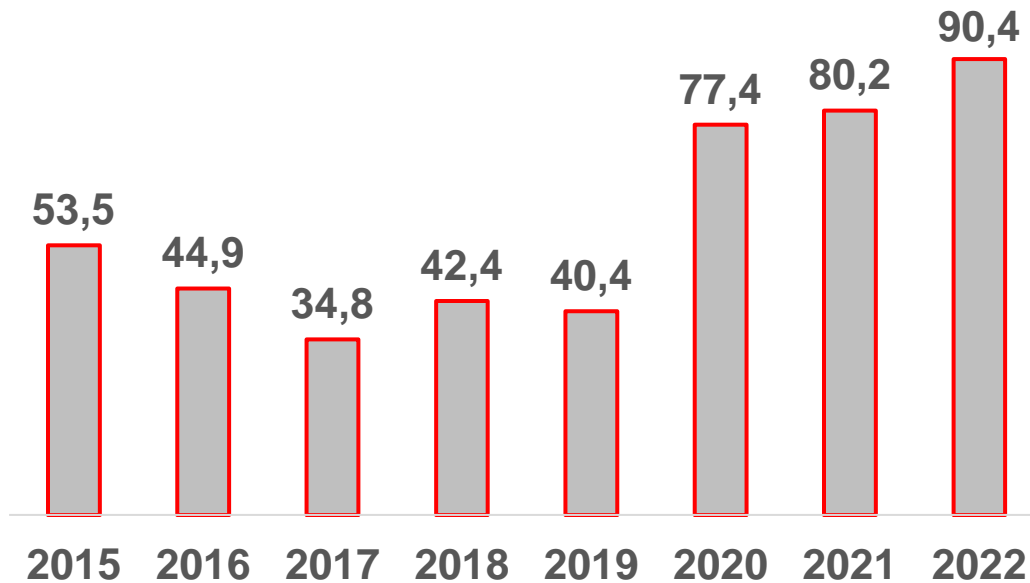


EFFICIENCY OF INVESTMENT: Activity Results

WE REVIEW THE COMPANY'S APPROACH TO ACTIVITIES AND ARE CONSISTENTLY INCREASING THE VOLUME OF INVESTMENTS WITH THE PURPOSE OF QUALITATIVE GROWTH OF NEW OIL PRODUCTION FROM CARRIED OUT WELL OPERATIONS

AMOUNT OF COSTS CARRIED OUT FOR WELL OPERATIONS

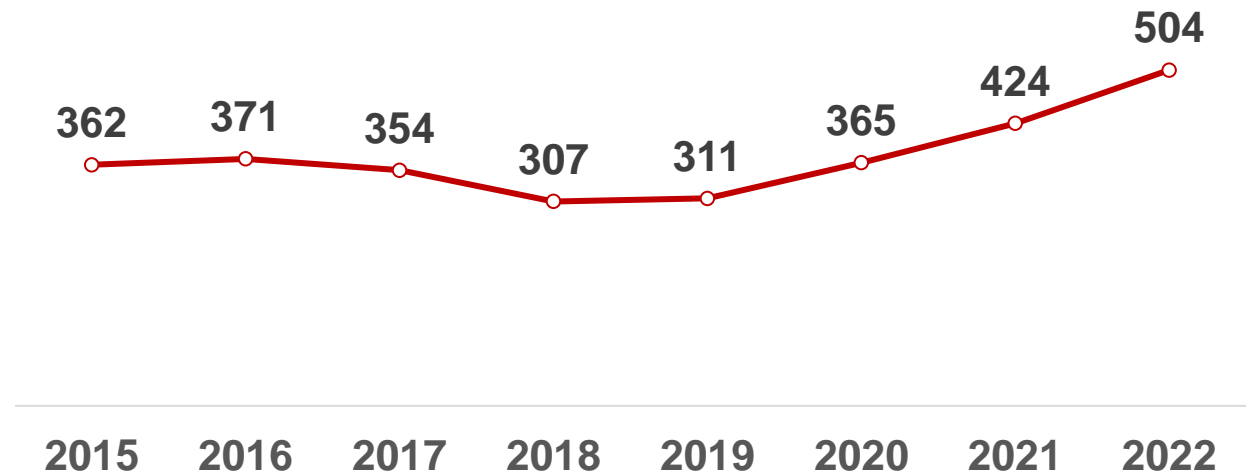
USD mm



DYNAMICS OF CHANGES IN NEW OIL PRODUCTION*

th. t

+ 2 971 th. t



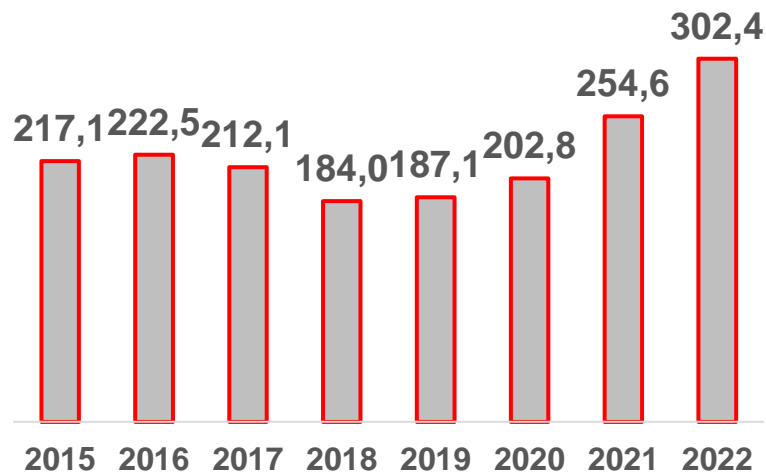
* Total "new oil" production since 2012: +3,794 th. t

EFFICIENCY OF INVESTMENT: Social component

VOLUME OF NEW OIL PER SUBSOIL USER'S SHARE

th. t (8 y)

+ 1 782 тыс. т



PERSONNEL QUANTITY

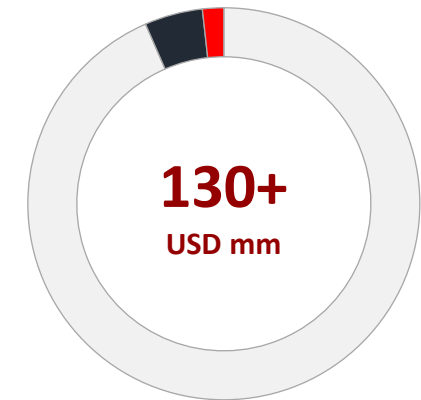
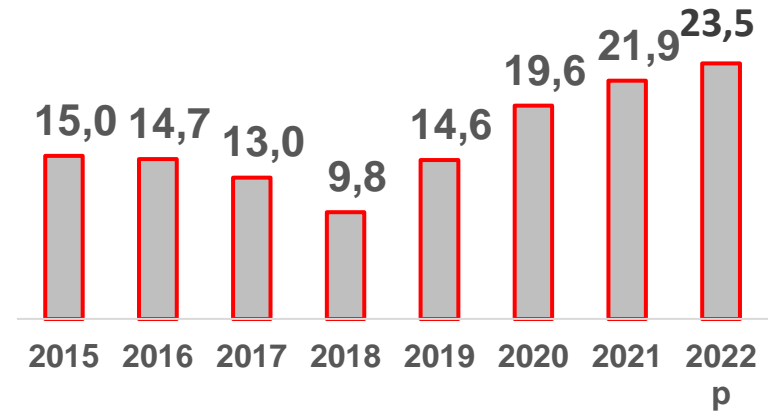
employees



■ Expats ■ Turkmenistan citizens

VOLUME OF PAYMENT OF TAXES

USD mm



□ VAT & Company tax ■ Payroll tax ■ Other

REFINING AND TRADING OF PETROLEUM PRODUCTS

- In November 2021, YUG-NEFTEGAZ began shipping oil for refining at the TCOR* in the amount of up to 150 thousand tons
- Today, a contract has been signed for the supply of 200 thousand tons for refining

PRODUCTS OUTPUT STRUCTURE:

- ✓ **Gasoline A-92**
- ✓ **Kerosene TS1**
- ✓ **Diesel**
- ✓ **Liquefied gas**
- ✓ **Polypropylene**
- ✓ **Fuel oil**

OUR TARGETS IN SECTOR

No 1

SAVE MONTHLY REFINING VOLUME AT THE LEVEL OF 15 + thousand tons

No 2

DEVELOPMENT OF THE TRADING FUNCTION OF PETROLEUM PRODUCTS

TODAY RESULTS



MONTHLY REFINING
15 + th. tons/month



INCREASE IN EXPORT SUPPLY OF PETROLEUM PRODUCTS

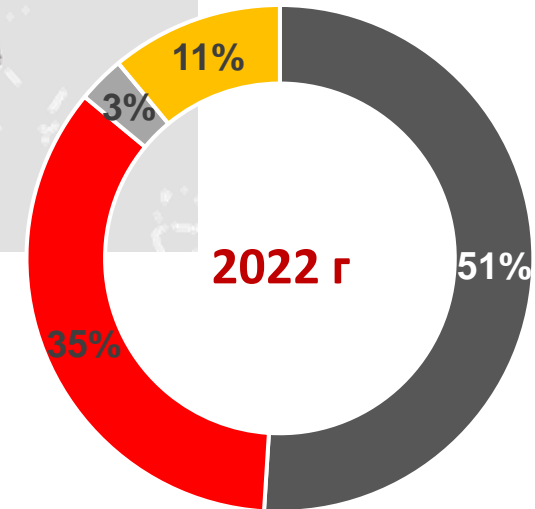


EXPANDING THE ROLE OF THE COUNTRY AT THE REGION OIL MARKET

REFINING AND TRADING OF PETROLEUM PRODUCTS

- The signing of contracts for oil refining and obtaining oil products dictated the need to actively expand the company's sales base
- Not today the company is actively developing regional sales in the markets of Central Asia and the Black Sea region

SALES GEOGRAPHY



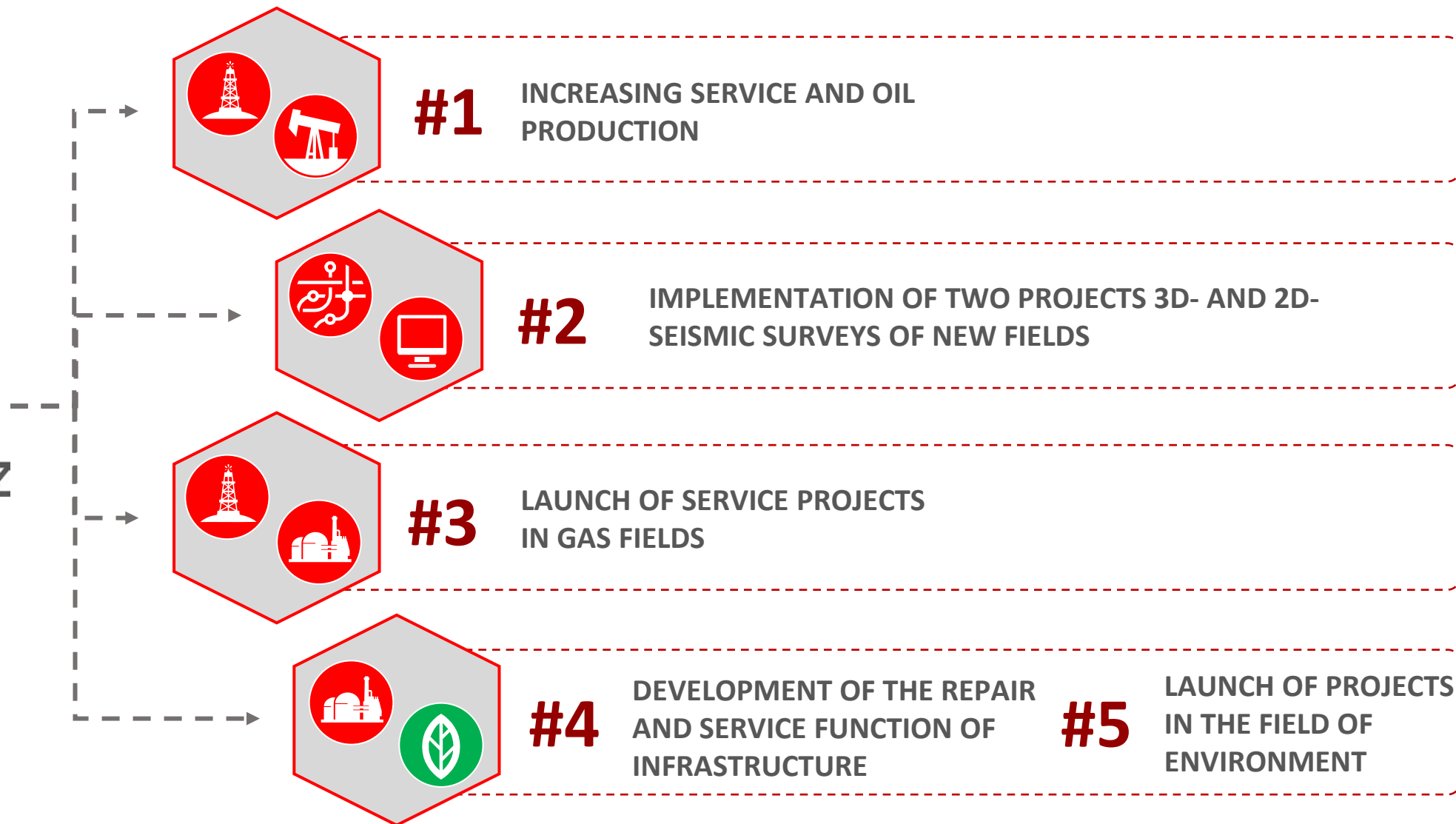
■ Black Sea region ■ Uzbekistan ■ Tadjikistan ■ Afghanistan

OUR TARGETS IN SECTOR

No 3

**INCREASING THE SHARE OF
SALES IN PREMIUM
MARKETS**

DEVELOPMENT PLANS



DEVELOPMENT PLANS: Scope of work and planned production

TARGETS FOR 5 YEARS

№ 1

**+3,4 mln tones
PRODUCTION OF
NEW OIL**

№ 2

**BRINGING DAILY
PRODUCTION TO
2 150 tones**

№ 3

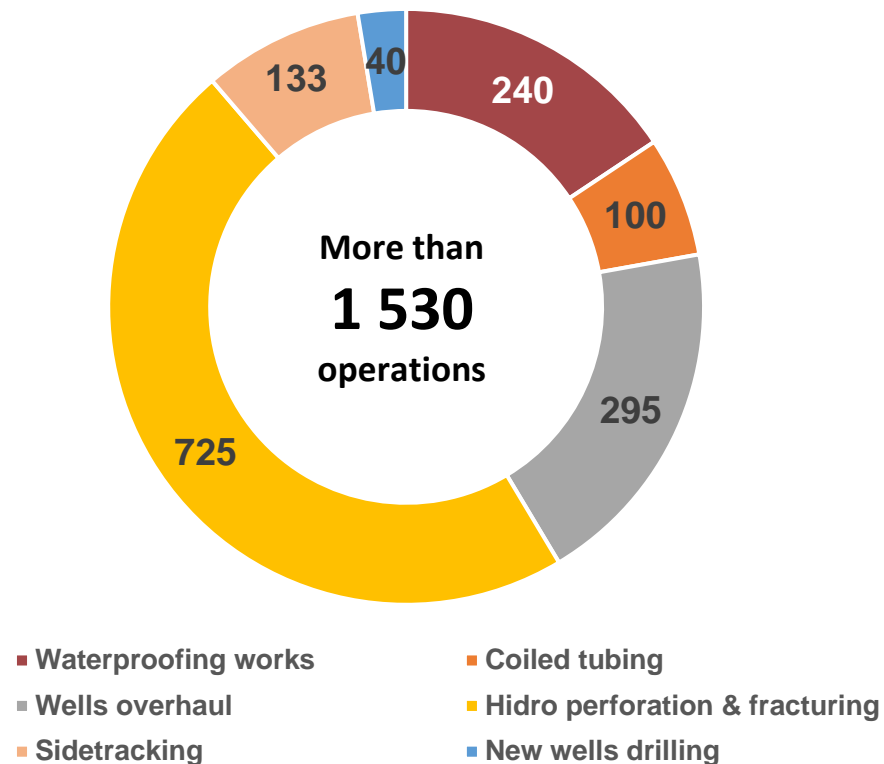
**DRILLING 40 NEW
WELLS**

№ 4

**INTRODUCTION OF
MECHANIZED OIL
PRODUCTION***

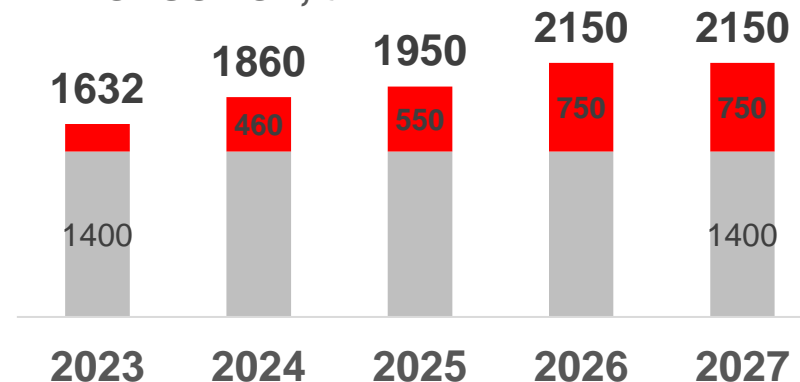
PLANNED VOLUME OF ADDITIONAL WORKS

Units



PLANNED OIL PRODUCTION

*DAILY
PRODUCTION, t*



*ANNUAL VOLUMES,
th. t*



+3 442 th. t

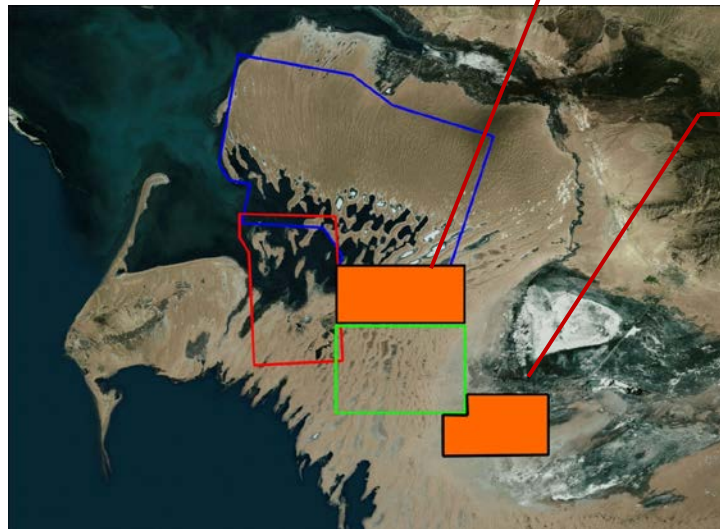
2023 2024 2025 2026 2027

DEVELOPMENT PLANS: Seismic exploration



EASTERN GOTURDEPE MINE

- **Work type:** 3D study
- **Field work area:** 250 km²
- **Scope of work:**
 - Collection of materials
 - Well logging data interpretation
 - Interpretation 3D materials
- **Results:** CONSTRUCTION OF STRUCTURAL MAP OF THE DEPOSIT, SELECTION OF MAP OF PROMISING OBJECTS BY HORIZONS



PERSPECTIVE SQUARE "YUZHNY BURUN"

- **Work type:** seismological 2D studies
- **Scope of field work:** 245 km²
- **Scope of work:**
 - Collection of materials 2D
 - Well logging data interpretation
 - Interpretation 2D materials
- **Results:** INTERPRETATION OF MATERIALS 2D AND CONSTRUCTION OF STRUCTURAL MAP, CONSTRUCTION OF MAP OF PROMISING OBJECTS BY HORIZONS

DEVELOPMENT PLANS: Maintenance and construction of oil and gas infrastructure facilities

- Throughout 2021 YNG successfully implemented a project for the construction of oil storage tanks with a capacity of 15 k tons in the Cheleken region
- In addition, the Company has sufficient expertise to implement projects for the construction and modernization of oil and gas infrastructure



PLANS AND PROJECTS OF THE COMPANY (on feasibility stage)



- EXPANDING OIL TRANSPORTATION INFRASTRUCTURE TO INCREASE OIL SUPPLY
- IMPLEMENTATION OF PROJECTS ON SELECTION OF OIL GAS DURING OIL TREATMENT AND ITS TRANSPORTATION



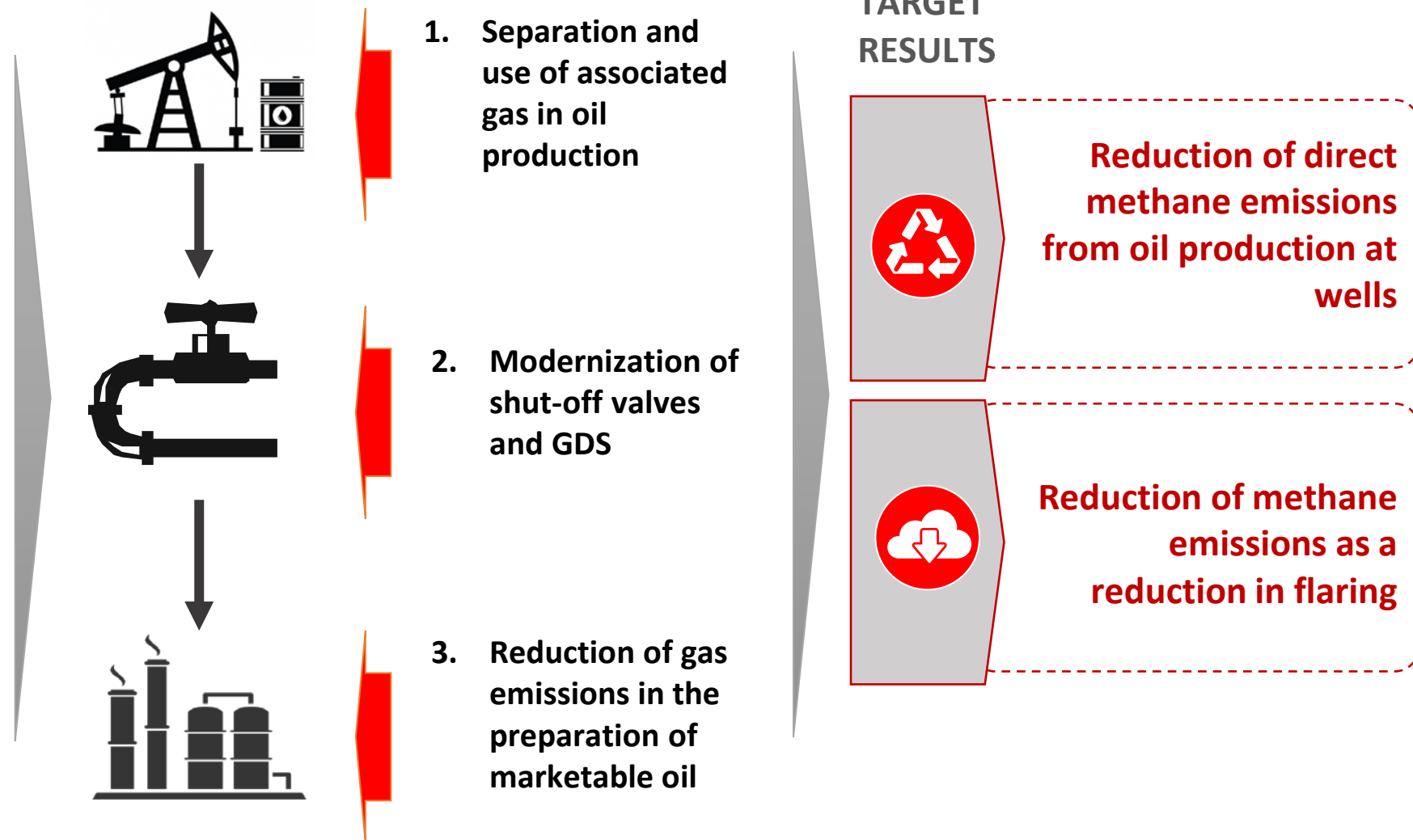
- MAINTENACE AND MODERNIZATION OF MAIN GAS PIPELINES
- PROJECTS IN THE SPHERE OF SMAL LLNG & CNG TO EXPAND THE NATURAL GAS EXPORT MARKET



- DEVELOPMENT OF THE OPERATING REPAIR AND SERVICE FUNCTION OF DRILLING EQUIPMENT
- EXPANDING THE FLEET OF DRILLING EQUIPMENT AND CREATING A ENTERPRISE FOR ITS SERVICE

DEVELOPMENT PLANS: Projects of environmental importance

- YUG-NEFTEGAZ together with VemaCarbon S.A. took part in the implementation of projects in the field of reducing technological emissions and methane leaks under the Kyoto Protocol in 3 countries (registered with the UNFCC secretariat). These projects have reduced emissions of more than 500 million m³ of methane.
- Based on its experience, the company plans to implement a number of projects to reduce methane emissions within the UP-Stream direction.





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