INFORMATION MEMORANDUM

in relation to the

U.S.$1,000,000,000 5.830 per cent. Senior Unsecured Notes due 2035

and

U.S.$1,000,000,000 6.570 per cent. Senior Unsecured Notes due 2056

issued by

State Oil Company of Azerbaijan Republic

for the admission to listing and trading on the Vienna MTF

(a multilateral trading facility operated by Wiener Börse AG)

Prepared in accordance with the Rules for the Operation of the Vienna MTF

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GENERAL INFORMATION ON THE ISSUER

Legal Name	State Oil Company of Azerbaijan Republic
Registered Office	121 Heydar Aliyev Avenue, AZ1029 Baku, Republic of Azerbaijan
Date of Incorporation	13 September 1992
Registration Number in Companies Register	9900003871
Share Capital (Currency / Fully or partly paid in)	5,014 Azerbaijani manats ("**AZN**") million in charter capital
Ownership structure (shareholders holding more than 5%)	The Issuer is 100% owned by the Republic of Azerbaijan.
Brief description of the business activities and historic development	The Issuer is a 100% state-owned company organised and existing under the laws of the Republic of Azerbaijan. The Issuer was established under a Presidential Decree passed on 13 September 1992.The Issuer was established to consolidate Azerbaijan's state-owned oil companies, following the merger of Azerneft and Azerneftkimya, each of which was also 100% state-owned, and to manage Azerbaijan's oil and gas exploration activities, as well as its transportation and refining activities following the fall of the Soviet Union. The business activities of the Group (as defined herein thereafter) relate to the oil and gas industry and include: a) vertically-integrated upstream, midstream and downstream operations (such as oil extraction, geophysics and geology, investments, oil pipelines, refineries, marketing and economic operations, gas operations and construction (including deep water jacket construction)). These operations are located principally in Azerbaijan, as well as in Turkey, Georgia, Romania, Switzerland and Ukraine; b) interests in a number of production sharing agreements with international oil companies in respect of oil fields; c) interests in several international pipelines; d) operating one refinery in Azerbaijan; e) operating a number of retail stations in countries in Eastern Europe and Switzerland; f) a controlling interest in Petkim, which is Turkey's sole petrochemical producer.

Description of the group and the position of the issuer within the group (if applicable)	The Issuer is the parent company of 25 wholly-owned business units, seven wholly-owned special purpose companies and a large number of jointly-controlled entities and associates (together, with Issuer the "**Group**"). The Issuer has representative offices in Austria, Belgium, Germany, Georgia, Iran, Kazakhstan, Romania, Switzerland, Turkey, Ukraine, the United Kingdom and the United States. The goal of the Group is to maintain its position as the only vertically integrated oil and gas company in Azerbaijan with vertically-integrated upstream, midstream and downstream operations.
Members of the Management Board *(name, position)*	**Supervisory Board:** Mikayil Jabbarov - Chairman of SOCAR Supervisory Board Anar Akhundov - Member of SOCAR Supervisory Board Anar Karimov - Member of SOCAR Supervisory Board Emin Huseynov - Member of SOCAR Supervisory Board Elnur Soltanov - Member of SOCAR Supervisory Board Israfil Mammadov - Member of SOCAR Supervisory Board Ruslan Alikhanov - Member of SOCAR Supervisory Board **Leadership Team:** Rovshan Najaf – President Anar Mammadov – Vice President Arzu Javadova – Vice President Babak Huseynov – Vice President Elshad Nasirov – Vice President Afgan Isayev – Vice President Fuad Musayev – Vice President Ismayil Zargarli – Vice President Kanan Najafov – Vice President Zaur Gurbanov – Vice President Ziba Mustafayeva – Vice President

INFORMATION ON GUARANTORS

Please state "not applicable" if there are no guarantors for the notes. Please add rows if needed.

	Legal Name	**Registered Office of Company**	**Registration Number in Companies Register**
Guarantor 1	Not Applicable	Not Applicable	Not Applicable

FINANCIAL FIGURES

For the past two financial years (if available). Not required for start-up companies (<1 business year). Figures are in millions of AZN. Figures in brackets are negative.

year	As at 31 December 2024	As at 30 June 2025
Sales revenue	84,689	42,354
Earnings before interests and taxes (EBIT)	4,313	3,417
Profit/Loss	2,927	2,144
Equity ratio (%) [1]	67	70

USE OF PROCEEDS

Brief description of the transaction and the intended use of proceeds

The proceeds of the offering of the Notes will be used for the following purposes:

The State Oil Fund of the Republic of Azerbaijan ("**SOFAZ**") Tranche:
USD 1,000 million – general corporate purposes

J.P. Morgan plc Tranche:
USD 1,000 million – general corporate purposes

RISK FACTORS

Brief description of the most significant risk factors: *An investment in the Note involves certain risks. If any of the following risks actually occur, the business, results of operations or financial condition of the Issuer could be materially adversely affected.*

ISSUER-SPECIFIC RISKS

- The Issuer's revenue and net profits fluctuate significantly with changes in crude oil, which are historically volatile and are affected by a variety of factors beyond the Issuer's control.
- The Government of Azerbaijan (the "**Government**"), which directly controls the Issuer, may cause the Issuer to engage in business practices that may not be in the interests of the Noteholders and may cause the appointment or removal of members of the Issuer's management team.
- The Government has in the past through the purchase of Azerikimya Production Union, and may in the future, cause the Issuer to acquire unprofitable businesses.
- The Government has imposed regulations and other requirements requiring the Issuer to sell oil, oil products and gas in the Azerbaijan market at below market prices. If such regulations and other requirements are increased in scope or altered as Azerbaijan's inflation and economic

[1] Formula: equity capital divided by total capital multiplied with 100

environment changes, this could have a material adverse effect on the Issuer’s profitability and financial condition.

- Oil and gas transportation tariff levels are subject to international treaty, inter-governmental and inter-company agreements and, as a result, may be set at levels other than market rates and at rates which the Issuer has no control over.
- The Issuer relies heavily on oil and gas transportation systems operated by third parties to transport its products and its customers’ products to markets outside Azerbaijan.
- The Issuer’s transportation and refining facilities were constructed many years ago and may require further significant investment.
- Certain of the Issuer’s customers and business associates are subject to U.S. and EU sanctions and the ongoing or future impact of such sanctions may have an adverse effect on the Issuer.
- The oil and gas regulations in place in Azerbaijan are underdeveloped and not consistently applied and the Issuer’s operations subject it to developing and uncertain environmental regulations, non-compliance with which could result in severe fines and suspension or permanent shut down of activities.
- Developments in neighbouring Iran, including conflicts between Iran and Israel, internal unrest in Iran, and military hostilities with Israel and the United States during the first quarter of 2026, have heightened geopolitical tensions and uncertainty across the Middle East. Iranian counterattacks in 2026 have impacted infrastructure, including oil and gas facilities, in certain Middle Eastern countries, and have impacted air and maritime transportation in the region. These developments have contributed to increased volatility in global energy markets particularly due to Iran’s proximity to the Strait of Hormuz, a critical shipping lane for crude oil. The situation remains highly volatile and uncertain, with no clear indication as to when the military hostilities will end. It is therefore difficult to predict the full impact of these developments on the countries affected in the Middle East as well as global energy markets and how long any impacts will last.
- In February 2022, Russia launched a military invasion against Ukraine. This has resulted in a significant increase in tensions between Russia and a number of countries. The United States, Canada, the United Kingdom and several European countries, among others, have imposed sanctions on Russia which include, among others, the freezing of the assets of the central bank of Russia, the banning of all transactions with the central bank of Russia and the removal of certain Russian banks from the swift messaging system, restrictions on access to financing by Russian entities, and export controls targeting Russia’s energy and defence sectors. Additionally, the United States, the EU and the United Kingdom have imposed additional sanctions targeting Russia’s oil and gas sector and oil and gas exports. Several rounds of peace negotiations have been carried out to date without success. The Issuer has business activities in Ukraine and owns 54 retail stations located in Ukraine, through its subsidiary SOCAR Energy Ukraine LLC and its affiliated companies in Ukraine. Any continuing or escalating military action in Ukraine could have a further material adverse effect on the Ukrainian economy, which may, in turn, have a material adverse effect on the value of the Issuer‘s investments in Ukraine, as well as on the Issuer‘s business, financial condition and results of operations
- Global energy prices surged after the start of Russia’s military invasion against Ukraine. The surge in energy prices had slightly eased but remains volatile, the ongoing war and the subsequent sanctions may result in further disruption to energy supplies and regional and global trade flows, and the impact of the war remains unclear and dependent on global and regional economic and political developments. The global economic and political environment and the impact of the sanctions imposed on Russia to the global economy remain highly uncertain.

COUNTRY-SPECIFIC RISKS

- Most of the Issuer's operations are conducted, and a substantial part of its assets are located, in Azerbaijan; therefore the Issuer is largely dependent on the economic and political conditions prevailing in Azerbaijan and the surrounding region.
- The economy and state budget of Azerbaijan are dependent on oil and gas production and global demand for prices of oil and gas. Azerbaijan is heavily dependent upon export trade and commodity, particularly hydrocarbon prices. Azerbaijan's economy would be negatively affected by low oil prices and economic instability elsewhere in the world. Low oil prices and weak demand in its export markets may adversely affect Azerbaijan's economy in the future and which might in turn adversely affect the Issuer's financial performance.
- The political and economic changes in Azerbaijan following the fall of the Soviet Union have resulted in reduced policing of society and increased crime. In the past, the international press has reported corruption of officials in Azerbaijan and other former Soviet Union countries. Press reports have also described instances in which state officials have engaged in selective investigations and prosecutions to further commercial interests of select constituencies.
- The physical infrastructure in Azerbaijan largely dates back to the Soviet era and has not been adequately funded and maintained. Therefore, some of Azerbaijan's physical infrastructure is in poor condition, which could disrupt normal business activity and constrain parts of Azerbaijan's socio-economic development plans. Particularly affected are pipeline, rail networks, and power transmission systems.
- The Government has introduced laws, regulations and legal structures to foster the development of a market system and integration with the world economy. However, the legislation is frequently contradictory, inadequate or incomplete and is susceptible to conflicting interpretations and overlapping jurisdictions between government bodies. In certain cases, legislation or implementing regulations may be unpublished or unavailable. Moreover, the absence of definitive interpretations of many of the provisions of these new laws, and the absence of a tradition in Azerbaijan of a judiciary that is insulated from current political or other considerations, can make the application of laws uncertain.

NOTE-SPECIFIC RISKS

- The Notes may be subject to optional redemption by the Issuer prior to their maturity date for tax reasons.
- Certain conditions of the Notes permit defined majorities to bind all Noteholders and permit the Trustee to take certain action without Noteholder consent.
- The Notes may be subject to withholding pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended.
- Payments made in respect of the Notes will be subject to withholding tax and have other tax consequences for investors.
- An active trading market for the Notes may not develop.
- The market price of the Notes may be volatile.
- Volatility in capital markets may adversely affect the price of the Notes and may reduce the availability of financing.
- Exchange rate risks and exchange controls exist to the extent payments in respect of the Notes are made in a currency other than the currency in which an investor's activities are denominated.
- Changes in market interest rates may adversely affect the value of the Notes.
- Credit ratings may not reflect all risks associated with the Notes.
- Return on an investment in Notes will be affected by charges incurred by investors.

- Insolvency laws in Azerbaijan may not be as favourable to holders of Notes as English or United States insolvency laws or those of another jurisdiction with which the Noteholders may be familiar.
- There is a risk that the choice of English law as the governing law of the Notes might not be applied by the courts of Azerbaijan.

BUSINESS PLAN (IF APPLICABLE)

Applicable only to start-up companies with no financial history. Not applicable to issuers with a financial history.

Not Applicable.