

Annex 1. Consolidated Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2024 WITH INDEPENDENT AUDITOR'S REPORT

Independent auditor's report	203
Consolidated financial statements	208
Consolidated statement of financial position	208
Consolidated statement of comprehensive income	211
Consolidated statement of changes in equity	214
Consolidated statement of cash flows	218
Notes to the consolidated financial statements	220
1. General information	220
2. Basis of preparation	221
3. Material accounting policy information	223
4. Significant accounting estimates and judgements	242
5. Business combination	264
6. Acquisition under common control	269
7. Disposals and assets classified as held for sale or distribution to the shareholder	271
8. Property, plant and equipment	282
9. Intangible assets	290
10. Exploration and evaluation assets	294
11. Investments in joint ventures and associates	296
12. Loans issued and net investment in finance lease	305
13. Amounts due from credit institutions	306
14. Other financial assets	307
15. Inventories	309
16. Trade accounts receivable and other assets	310
17. Cash and cash equivalents	312
18. Equity	313
19. Borrowings	324
20. Loans from the government of the Republic of Kazakhstan	330
21. Provisions	332
22. Lease liabilities	335
23. Other financial liabilities	337
24. Trade and other payables, and other liabilities	338
25. Revenue	340
26. Cost of sales	341
27. General and administrative expenses	341
28. Transportation and selling expenses	342
29. Impairment loss	342
30. Finance costs	344
31. Finance income	344
32. Share in profit of joint ventures and associates, net	345
33. Income tax expenses	345
34. Consolidation	350
35. Related party disclosures	351
36. Financial instruments and financial risk management objectives and policies	353
37. Commitments and contingencies	360
38. Segment reporting	371
39. Subsequent events	376

Independent auditor's report



«ЭРНСТ ЭНД ЯНГ» ЖШС
Әл-Фараби д-лы, 77/7
«Есентай Тауэр» ғимараты
Алматы қ., 050060
Қазақстан Республикасы
Тел.: +7 727 258 59 60
Факс: +7 727 258 59 61
www.ey.com

ТОО «ЭРНСТ ЭНД ЯНГ»
пр. Аль-Фараби, д. 77/7
здание «Есентай Тауэр»
г. Алматы, 050060
Республика Казахстан
Тел.: +7 727 258 59 60
Факс: +7 727 258 59 61
www.ey.com

Ernst & Young LLP
Al-Farabi ave., 77/7
Esentai Tower
Almaty, 050060
Republic of Kazakhstan
Tel.: +7 727 258 59 60
Fax: +7 727 258 59 61
www.ey.com

Independent Auditor's Report

To the Shareholder, Board of Directors and Management of “Sovereign Wealth Fund “Samruk-Kazyna” JSC

Opinion

We have audited the consolidated financial statements of “Sovereign Wealth Fund “Samruk-Kazyna” JSC and its subsidiaries (hereinafter - the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Key audit matter

How our audit addressed the key audit matter

Impairment of non-current assets

We considered this matter to be one of the matters of most significance in our audit due to the high level of subjectivity in respect of assumptions underlying impairment analysis of non-current assets and significant judgements and estimates made by the management. In addition, increased cost of debt and uncertainty regarding future economic growth affects the Group's business prospects and triggers potential impairment of the Group's assets.

Significant assumptions included discount rates, commodities prices, tariffs forecasts, inflation and exchange rate forecasts. Significant estimates included production forecasts, future capital expenditures and commodity reserves available for development and production.

Information on non-current assets and the impairment tests performed is disclosed in *Note 4* to the consolidated financial statements.

We obtained management's impairment analysis, including analysis of impairment indicators and impairment test models.

We involved our internal business valuation specialists in the testing of the impairment analysis and calculation of recoverable amounts performed by the management.

We analysed the assumptions underlying management forecast.

We compared natural resource and commodity prices used in the calculation of recoverable amounts to available market forecasts.

We compared the discount rate and long-term growth rates to general market indicators and other available information.

We tested the mathematical accuracy of the impairment models and assessed their sensitivity to changes in assumptions.

We analysed the disclosures made in the consolidated financial statements in respect of the impairment of non-current assets.

Compliance with loan covenants

In accordance with the terms of certain financing arrangements, the Group should comply with certain loan covenants. Breaching covenants could result in significant fines and penalties along with funding shortages. In addition, cross default provisions are in place under many of the Group's financing arrangements. Compliance with covenants was one of the matters of most significance in our audit since it can have a major impact on the going concern assumption used in the preparation of the consolidated financial statements, and on classification of interest-bearing liabilities in the consolidated statement of financial position.

Information on compliance with covenants is disclosed in *Note 19* to the consolidated financial statements.

We examined the terms of financing arrangements on covenants including additional clauses on cross default conditions.

We compared data used in the calculations with the consolidated financial statements and with the financial statements of subsidiaries.

We assessed arithmetic accuracy of financial covenants calculations.

We analysed the forecast made in approved budgets as of 31 December 2024, to assess if a breach is likely to occur in the next 12 months, we obtained and analysed management's analysis for the potential impact on going concern.

We analysed communication with creditors in respect of compliance with covenants as at 31 December 2024.

We also analysed the information disclosed in the consolidated financial statements.



Provisions and contingent liabilities

Provisions are recognized and contingent liabilities are disclosed by the Group in respect of the results of the government inspections, and general legal proceedings, as well as other matters.

The assessment as to whether, or not, a liability should be recognized and whether the amounts can be reliably estimated involves estimation and judgement.

Predicting the outcome of the matter and estimating the potential impact in case of an unfavourable outcome represent a complex process, and the potential impact on the consolidated financial statements may be significant.

We considered provisions and contingent liabilities to be one of the matters of most significance in our audit because of their significance to the consolidated financial statements, the significant judgment and events occurred in 2024.

Information on provisions, contingent liabilities and commitments is disclosed in *notes 21* and *37* to the consolidated financial statements.

We inquired the Group's management and legal department for instances of non-compliance with laws and regulations and the status of any pending and ongoing litigations, claims and proceedings.

We obtained legal letters from internal legal advisers.

We inspected relevant correspondence, the minutes of the meetings of the Group's management and Board of Directors.

We analysed the most significant legal cases and discussed them with the Group's legal department.

We have engaged our internal legal and tax specialist for the analysis.

We analysed the Group's management's estimates underlying the amounts recognized as provisions in the consolidated financial statements and assessed judgements in respect of the probability of potential outcomes of contingent liabilities in the consolidated financial statements.

We analysed the related disclosures in the consolidated financial statements.

Other information included in the Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



Responsibilities of management and the Audit Committee for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Adil Syzdykov.

Ernst & Young LLP



Adil Syzdykov
Auditor

Auditor Qualification Certificate
No. МФ - 0000172 dated 23 December 2013

050060, Republic of Kazakhstan, Almaty
Al-Farabi ave., 77/7, Esentai Tower

17 April 2025



Rustamzhan Sattarov
General Director
Ernst & Young LLP

State audit license for audit activities on the territory of the Republic of Kazakhstan: series МФЮ-2 No. 0000003 issued by the Ministry of finance of the Republic of Kazakhstan on 15 July 2005

Consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION For the year ended December 31, 2024

In millions of tenge	Note	2024	2023 (restated)*
Assets			
Non-current assets			
Property, plant and equipment	8	17,657,438	15,419,563
Intangible assets	9	2,499,343	2,026,102
Exploration and evaluation assets	10	236,999	205,074
Investment property		26,320	33,273
Investments in joint ventures and associates	11	7,705,833	6,900,007
Amounts due from credit institutions	13	33,845	55,684
Loans issued and net investment in finance lease	12	228,134	102,538
Other non-current financial assets	14	1,064,864	594,194
Other non-current assets	16	1,317,851	1,220,514
Deferred tax assets	33	121,591	108,379
		30,892,218	26,665,328
Current assets			
Inventories	15	1,029,992	1,008,646
VAT receivable		602,083	386,977
Income tax prepaid		248,343	190,850
Trade accounts receivable	16	1,449,604	1,292,858
Amounts due from credit institutions	13	1,523,660	1,243,196
Loans issued and net investment in finance lease	12	65,682	131,472
Other current financial assets	14	704,277	1,134,317
Other current assets	16	535,664	445,854
Cash and cash equivalents	17	3,212,242	2,740,336
		9,371,547	8,574,506
Assets classified as held for sale or distribution to the Shareholder	7	835,891	1,684,900
		10,207,438	10,259,406
Total assets		41,099,656	36,924,734

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Notes 5 and 16.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) For the year ended December 31, 2024

In millions of tenge	Note	2024	2023 (restated)*
Equity and liabilities			
Equity attributable to equity holder of the Parent			
Share capital	18.1	5,540,872	5,492,783
Additional paid-in capital	18.2	243,931	–
Currency translation reserve		2,047,629	1,270,562
Revaluation reserve of investments at fair value through other comprehensive income		32,209	36,091
Hedging reserve		(15,628)	(3,469)
Other capital reserves		(17,003)	(17,003)
Retained earnings		11,772,144	10,351,317
		19,604,154	17,130,281
Non-controlling interests	18.10	5,989,330	4,609,251
Total equity		25,593,484	21,739,532
Non-current liabilities			
Borrowings	19	5,831,896	5,383,218
Loans from the Government of the Republic of Kazakhstan	20	1,074,868	861,818
Provisions	21	482,604	471,062
Lease liabilities	22	326,589	282,171
Employee benefit liabilities		139,340	128,229
Other non-current financial liabilities	23	52,590	101,714
Other non-current liabilities	24	179,796	132,334
Deferred tax liabilities	33	2,267,777	1,756,505
		10,355,460	9,117,051
Current liabilities			
Borrowings	19	836,272	980,684
Loans from the Government of the Republic of Kazakhstan	20	12,204	11,028
Provisions	21	89,660	96,453
Income taxes payable		24,942	38,834
Trade and other payables	24	1,850,910	1,597,615
Lease liabilities	22	91,631	70,906
Employee benefit liabilities		16,400	15,451
Other current financial liabilities	23	786,833	533,042
Other current liabilities	24	1,097,920	1,150,318
		4,806,772	4,494,331

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Notes 5 and 16.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

For the year ended December 31, 2024

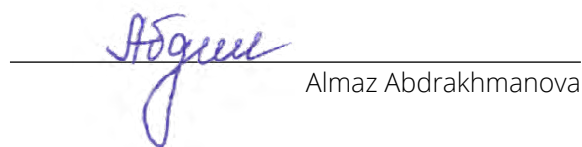
In millions of tenge	Note	2024	2023 (restated)*
Liabilities associated with assets classified as held for sale or distribution to the Shareholder	7	343,940	1,573,820
		5,150,712	6,068,151
Total liabilities		15,506,172	15,185,202
Total equity and liabilities		41,099,656	36,924,734

Managing Director for Economy and Finance –
Member of the Management Board



Aidar Ryskulov

Chief accountant



Almaz Abdrakhmanova

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Notes 5 and 16.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2024

In millions of tenge	Note	2024	2023 (restated)*
Continuing operations			
Revenue	25	16,433,066	15,434,005
Government grants		57,477	61,042
		16,490,543	15,495,047
Cost of sales	26	(12,494,639)	(11,771,789)
Gross profit		3,995,904	3,723,258
General and administrative expenses	27	(567,403)	(526,381)
Transportation and selling expenses	28	(901,135)	(870,498)
Expected credit losses on financial assets, net		(9,880)	(38,814)
Impairment loss, net	29	(137,996)	(325,807)
Gain from remeasurement of the previously existing interest in joint venture	5	295,719	–
Gain on disposal of subsidiaries, net	7	141,792	193,585
Other operating income		26,424	32,182
Other operating loss		(16,646)	(55,700)
Operating profit		2,826,779	2,131,825
Finance costs	30	(574,418)	(709,947)
Finance income	31	605,581	486,364
Other non-operating loss		(64,922)	(57,852)
Other non-operating income		56,518	45,456
Share in profit of joint ventures and associates, net	32	1,148,846	945,079
Net foreign exchange gain, net	2	240,193	20,428
Profit before income tax from continuing operations		4,238,577	2,861,353
Income tax expenses	33	(925,562)	(731,053)
Net profit for the year from continuing operations		3,313,015	2,130,300
Discontinued operations			
Loss from discontinued operations, net of income tax	6	(10,373)	–
Net profit for the year		3,302,642	2,130,300

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 5.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended December 31, 2024

In millions of tenge	Note	2024	2023 (restated)*
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)			
Exchange differences on translation of foreign operations	18.11	1,482,698	(193,838)
(Loss)/gain from hedge instruments for the net investment in the foreign operations	18.11	(363,581)	46,478
Unrealized (loss)/gain from revaluation of investments at fair value through other comprehensive income		(3,936)	1,102
Share of the other comprehensive income of associates and joint ventures	11	11,459	5,362
(Loss)/gain on transactions with hedge instruments	18.12	(17,783)	5,002
Net realized gain/(loss) on debt instruments at fair value through other comprehensive income		392	(566)
Reclassification of loss on cash flow hedge instruments	7, 18.12	3,130	–
Recycling of foreign currency translation reserve to gain on disposal of a subsidiary	7	(6,285)	–
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods, net of tax		1,106,094	(136,460)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)			
Share of the other comprehensive gain of associates and joint ventures	11	8	554
Actuarial gain on defined benefit plans		1,332	1,855
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		1,340	2,409
Other comprehensive income/(loss) for the year, net of tax		1,107,434	(134,051)
Total comprehensive income for the year, net of tax		4,410,076	1,996,249

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended December 31, 2024

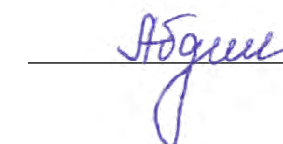
In millions of tenge	Note	2024	2023 (restated)*
Net profit for the year attributable to:			
Equity holder of the Parent		2,354,397	1,699,569
Non-controlling interests		948,245	430,731
		3,302,642	2,130,300
Total comprehensive income for the year, attributable to:			
Equity holder of the Parent		3,120,098	1,602,883
Non-controlling interests		1,289,978	393,366
		4,410,076	1,996,249
Earnings per share in net profit attributable to Equity holder of the Parent – tenge			
Basic and diluted	18.14	676.17	488.11
Basic and diluted, from continuing operations		679.15	488.11
Basic and diluted, from discontinued operations		(2.98)	–

Managing Director for Economy and Finance –
Member of the Management Board



Aidar Ryskulov

Chief accountant



Almaz Abdrakhmanova

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 5.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2024

In millions of tenge	Note	Attributable to the equity holder of the Parent								
		Share capital	Revaluation reserve of investments at fair value through other comprehensive income	Currency translation reserve	Hedging reserve	Other capital reserves	Retained earnings	Total	Non-controlling interests	Total
Balance as at December 31, 2022		5,268,819	35,519	2,220,063	(5,900)	(16,986)	9,787,891	17,289,406	2,504,016	19,793,422
Net profit for the year (restated)*		–	–	–	–	–	1,699,569	1,699,569	430,731	2,130,300
Other comprehensive income/(loss) for the year		–	574	(107,271)	2,866	–	7,145	(96,686)	(37,365)	(134,051)
Total comprehensive income/(loss) for the year (restated)*		–	574	(107,271)	2,866	–	1,706,714	1,602,883	393,366	1,996,249
Issue of shares	18.1	223,964	–	–	–	–	(66,075)	157,889	–	157,889
Distributions to the Shareholder		–	–	–	–	–	(1,423,899)	(1,423,899)	(172,201)	(1,596,100)
Dividends	18.3	–	–	–	–	–	(1,268,852)	(1,268,852)	(172,201)	(1,441,053)
Distributions to the Public Foundation “Qazaqstan halqyna”	18.4	–	–	–	–	–	(66,614)	(66,614)	–	(66,614)
Other distributions to the Shareholder	18.5	–	–	–	–	–	(88,433)	(88,433)	–	(88,433)
Other transactions with the Shareholder	18.6	–	–	–	–	–	(29,848)	(29,848)	–	(29,848)
Transfer of assets to the Shareholder	18.7	–	–	–	–	–	(3,796)	(3,796)	–	(3,796)
Discount on loans from the Government	18.8	–	–	–	–	–	177,932	177,932	–	177,932
Change in ownership interests of subsidiaries – acquisition of non-controlling interest	18.1	–	–	–	–	–	145,967	145,967	(235,172)	(89,205)
Change in ownership interests of subsidiaries – disposal of interest that does not result in the loss of control	18.9	–	(2)	(842,858)	193	(17)	56,431	(786,253)	2,119,242	1,332,989
Other equity movements		–	–	628	(628)	–	–	–	–	–
Balance as at December 31, 2023 (restated)		5,492,783	36,091	1,270,562	(3,469)	(17,003)	10,351,317	17,130,281	4,609,251	21,739,532

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 5.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended December 31, 2024

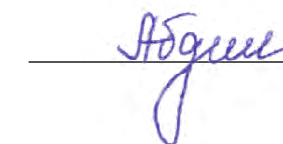
In millions of tenge	Note	Share capital	Attributable to the equity holder of the Parent									
			Additional paid-in capital	Revaluation reserve of investments at fair value through other comprehensive income		Currency translation reserve	Hedging reserve	Other capital reserves	Retained earnings	Total	Non-controlling interests	Total
Net profit for the year		–	–	–		–	–	–	2,354,397	2,354,397	948,245	3,302,642
Other comprehensive (loss)/income for the year		–	–	(3,555)		777,067	(12,159)	–	4,348	765,701	341,733	1,107,434
Total comprehensive (loss)/income for the year		–	–	(3,555)		777,067	(12,159)	–	2,358,745	3,120,098	1,289,978	4,410,076
Issue of shares	18.1	48,089	–	–		–	–	–	(342)	47,747	–	47,747
Capital contribution	18.2	–	243,931	–		–	–	–	–	243,931	–	243,931
Distributions to the Shareholder		–	–	–		–	–	–	(983,229)	(983,229)	(313,079)	(1,296,308)
Dividends	18.3	–	–	–		–	–	–	(736,819)	(736,819)	(313,079)	(1,049,898)
Distributions to the Public Foundation “Qazaqstan halqyna”	18.4	–	–	–		–	–	–	(50,000)	(50,000)	–	(50,000)
Other distributions to the Shareholder	18.5	–	–	–		–	–	–	(196,410)	(196,410)	–	(196,410)
Other transactions with the Shareholder	18.6	–	–	–		–	–	–	(287,429)	(287,429)	–	(287,429)
Transfer of assets to the Shareholder	18.7	–	–	–		–	–	–	(14,848)	(14,848)	–	(14,848)
Discount on loans from the Government	18.8	–	–	–		–	–	–	49,204	49,204	–	49,204
Change in ownership interests of subsidiaries – disposal of interest that does not result in the loss of control	18.9	–	–	(327)		–	–	–	298,726	298,399	169,024	467,423
Acquisition of subsidiary	5	–	–	–		–	–	–	–	–	291,010	291,010
Disposal of subsidiaries	7	–	–	–		–	–	–	–	–	(48,475)	(48,475)
Other equity movements		–	–	–		–	–	–	–	–	(8,379)	(8,379)
Balance as at December 31, 2024		5,540,872	243,931	32,209		2,047,629	(15,628)	(17,003)	11,772,144	19,604,154	5,989,330	25,593,484

Managing Director for Economy and Finance –
Member of the Management Board



Aidar Ryskulov

Chief accountant



Almaz Abdrakhmanova

* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2023 and reflect adjustments made, refer to Note 5.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2024

In millions of tenge	Note	2024	2023
Cash flows from operating activities			
Receipts from customers		18,182,350	16,725,154
Payments to suppliers		(10,297,189)	(9,465,532)
Payments to employees		(2,027,800)	(1,785,243)
Other taxes and payments		(2,258,894)	(2,125,159)
Receipt of deposits from customers		38,197	40,720
Proceeds from subsidized interest rates on financial liabilities		22,300	–
Short-term lease payments and variable lease payments		(125,634)	(142,511)
Cash received under agency agreements		839,833	675,532
Cash paid under agency agreements		(949,314)	(397,794)
Return of VAT from the budget		108,718	43,281
Contributions to social and health insurance funds		(76,890)	(73,286)
Sponsorship and charity		(30,633)	(6,741)
Other receipts		310,896	177,749
Other payments		(312,653)	(202,137)
Income taxes paid		(773,539)	(815,837)
Interest paid		(576,058)	(634,980)
Interest received		421,460	384,115
Net cash flows received from operating activities		2,495,150	2,397,331
Cash flows from investing activities			
Acquisition of property, plant and equipment, and exploration and evaluation assets and other non-current assets		(2,316,356)	(2,571,821)
Acquisition of intangible assets		(39,955)	(213,388)
Proceeds from sale of property, plant and equipment		7,646	6,068
Proceeds from sale of other non-current assets		3,512	13,180
Dividends received from joint ventures and associates	11	1,448,438	808,125
Acquisition of subsidiaries, net of cash acquired	5	13,228	(156,390)
Issuance of bank deposits		(2,367,629)	(1,781,998)
Redemption of bank deposits		2,308,465	2,127,548
Loans issued		(351,424)	(74,107)
Proceeds from sale of subsidiaries, net of cash of disposed subsidiaries		(62,743)	114,522
Proceeds from sale/(acquisition) of joint ventures and associates, net		2,731	(4,488)
Additional contributions to share capital of joint ventures and associates without change in ownership	11	(75,610)	(21,229)
Repayment of loans issued		52,225	34,554
Acquisition of notes of the National Bank of RK		(1,046,579)	(2,974,308)
Redemption of notes of the National Bank of RK		1,132,011	3,036,637
Purchase of government debt securities		(1,180,958)	(557,357)
Proceeds from sale/repayment by issuers of government debt securities		834,540	487,347
Acquisition of other equity and debt instruments		(455,530)	(765,522)
Proceeds from sale/repayment by issuers of other equity and debt instruments		794,001	341,825

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2024

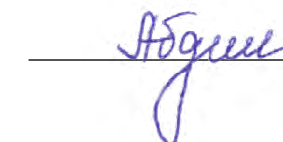
In millions of tenge	Note	2024	2023
Other receipts		22,375	11,449
Other payments		(7,876)	(12,327)
Net cash flows used in investing activities		(1,285,488)	(2,151,680)
Cash flows from financing activities			
Proceeds from borrowings	19, 20	1,717,560	1,601,116
Repayment of borrowings	19	(1,787,650)	(1,550,405)
Repayment of lease liabilities	22	(77,092)	(161,898)
Contributions to the share capital by the Equity holder of the Parent	18.1	–	49,478
Dividends paid to the Shareholder	18.3	(736,819)	(1,268,852)
Distributions to the Public Foundation “Qazaqstan halqyna”	18.4	(45,964)	(20,650)
Other distributions to the Shareholder	18.5	(189,023)	(96,671)
Other transactions with the Shareholder		(81,737)	(20,885)
Dividends paid to non-controlling interests of subsidiaries	18.3	(313,311)	(173,976)
Disposal of interest that does not result in the loss of control	18.9	467,423	1,332,944
Repo transactions		15,613	(11,458)
Other payments		(21,183)	(8,487)
Net cash flows used in financing activities		(1,052,183)	(329,744)
Net increase/(decrease) in cash and cash equivalents		157,479	(84,093)
Effects of exchange rate changes on cash and cash equivalents		221,121	(35,288)
Changes in cash and cash equivalents disclosed as part of assets held for sale		94,003	(86,072)
Change in allowance for expected credit losses		(697)	173
Cash and cash equivalents at the beginning of the year		2,740,336	2,945,616
Cash and cash equivalents at the end of the year	17	3,212,242	2,740,336

Managing Director for Economy and Finance –
Member of the Management Board



Aidar Ryskulov

Chief accountant



Almaz Abdrakhmanova

Notes to the consolidated financial statements

For the year ended December 31, 2024

1. GENERAL INFORMATION

Corporate information

“Sovereign Wealth Fund “Samruk-Kazyna” JSC (hereinafter – the “Fund” or “Samruk-Kazyna”) was established on November 3, 2008 in accordance with the Decree of the President of the Republic of Kazakhstan No. 669 dated October 13, 2008 and the Resolution of the Government of the Republic of Kazakhstan No. 962 dated October 17, 2008. The formation was enacted by the merger of “Sustainable Development Fund “Kazyna” JSC and “Kazakhstan Holding Company for State Assets Management “Samruk” JSC and the additional transfer to the Fund of interests in certain entities owned by the Government of the Republic of Kazakhstan (hereinafter – the “State” or the “Government”). The Government is the sole shareholder of the Fund (hereinafter – the “Shareholder” or the “Parent”).

During this process the Government’s overall objective was to increase management efficiency and to optimise organisational structures for them to successfully achieve their strategic objectives as set in the respective Government programs.

The Fund is a holding company combining companies listed in Note 34 (hereinafter – the “Group”). Prior to February 1, 2012, the Fund’s activities were governed by the Law of the Republic of Kazakhstan On National Welfare Fund No. 134-4 dated February 13, 2009 and were aimed to assist in provision of stable development of the state economy, modernization and diversification of economy, and improvement of the Group companies’ efficiency. According to the Law of the Republic of Kazakhstan enacted on February 1, 2012 On Sovereign Wealth Fund No. 550- 4, the Fund’s activity is focused on improving sovereign wealth of the Republic of Kazakhstan by increasing the long-term value of the Group companies and by effective management of the Group assets.

For management purposes, the Group is organized into organizational business units based on their products and services, and has 8 (eight) reportable operating segments as follows (Note 38):

- Oil-and-gas and petrochemical segment includes operations related to exploration and production of oil and gas, transportation of oil and gas, refining and trading of crude oil, gas and refined products, and production of oil-and-gas and petrochemical products;
- Transportation segment includes operations related to railway and air transportation of cargo and passengers;
- Communication segment includes operation of fixed line communication, including local, long-distance intercity and international telecommunication services (including CIS and non-CIS countries); and also renting out of lines, data transfer services and wireless communication services;
- Energy segment includes operations related to production and distribution of electricity, the function of oversight over the input of electricity into the energy system and consumption of imported electricity, the function of centralized operation and dispatch of facilities in the Unified Energy System of Kazakhstan;
- Mining segment includes exploration, mining, processing, sales of mineral resources and geological exploration;
- Industrial segment includes industry enterprises and projects of chemical industry;
- Corporate center segment covers Fund’s investing and financing activities, including provision of loans to related and third parties;

- Other segment includes operations related to assisting the Government in increasing housing availability by investing into residential development and other operations.

The address of the Fund’s registered office is 17/10 Syganak str., Astana, the Republic of Kazakhstan (hereinafter – “RK”).

These consolidated financial statements were authorised for issue by the Managing Director for Economy and Finance – Member of the Management Board and Chief accountant of the Fund on April 17, 2025 and preliminary approved by the Audit Committee of the Board of Directors of the Fund. These consolidated financial statements should be further approved by the Board of Directors and the Sole Shareholder.

Privatization plan

On April 30, 2014 the Government approved the initial Complex privatization plan for 2014-2016. On December 30, 2015 the Government approved the new 2016-2020 Complex privatization plan (replacing previous 2014-2016 Complex privatization plan) and the list of all state owned assets to be privatized, including certain Fund subsidiaries. On December 29, 2020, by the Resolution of the Government of the Republic of Kazakhstan No. 908 On Some Issues of Privatization for 2021-2025, a new comprehensive Complex privatization plan for 2021-2025 was approved, which includes a new list of state owned organizations and assets of the Fund’s group to be transferred to a competitive environment.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared on a historical cost basis, except as described in the accounting policies and the notes to these consolidated financial statements.

These consolidated financial statements are presented in Kazakhstan tenge (“tenge”) and all monetary amounts are rounded to the nearest million tenge except when otherwise indicated.

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS accounting standards as issued by International Accounting Standard Board (“IASB”).

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern. The management consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

Foreign currency translation

Functional and presentation currency

Items included in these consolidated financial statements of each of the Group’s entities are measured using the currency of primary economic environment in which the entity operates (“the functional

currency"). The consolidated financial statements are presented in tenge, which is the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Group entities

Gains, losses and financial position of all of the Group's subsidiaries, joint ventures and associates (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates; in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

Exchange rates

Weighted average currency exchange rates established by the Kazakhstan Stock Exchange ("KASE") are used as official currency exchange rates in the Republic of Kazakhstan.

	December 31, 2024	December 31, 2022	Weighted average for 2024	Weighted average for 2023	April 18, 2025
United States dollar ("USD")	525.11	454.56	469.31	456.21	523.20
Euro ("EUR")	546.74	502.24	507.63	493.22	594.30
Russian ruble ("RUR")	4.88	5.06	5.07	5.41	6.38

The following table presents currency exchange rates to tenge:

For the year ended December 31, 2024, the Group had foreign exchange loss of 8,922,454 million tenge (for the year ended December 31, 2023: 7,051,068 million tenge) and foreign exchange gain of 9,162,647 million tenge (for the year ended December 31, 2023: 7,071,496 million tenge), due to fluctuations in foreign exchange rates to tenge.

3. MATERIAL ACCOUNTING POLICY INFORMATION

New and amended standards and interpretations

The accounting principles adopted in preparing the consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for new standards and interpretations that became effective on 1 January 2024.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the consolidated financial statements of the Group.

The Group presented only the list of standards effective and applicable for the Group.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group’s consolidated financial statements. The Group disclosed the information on compliance with covenants under the terms of the loan agreements in Note 19.

Standards that have been issued but not yet effective

There are new pronouncements issued as at December 31, 2024:

- Amendments to IAS 21 – Lack of Exchangeability (issued in August, 2023);
- IFRS 18 Presentation and Disclosure in Financial Statements (issued in April 2024);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued in May 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued in December 2024);
- Annual Improvements Volume 11 (issued in July 2024);
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued in May 2024).

The amendments are not expected to have a material impact on the Group’s consolidated financial statements, except for IFRS 18 Presentation and Disclosure in Financial Statements. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Amended standards the Group applied the exception to recognizing and disclosing information in 2023

Pillar 2 International Tax Reform – Pillar II Model Rules – Amendments to IAS 12 Income Taxes

The amendments to IAS 12 have been introduced in response to the OECD’s BEPS Pillar II rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar II model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity’s exposure to Pillar II income taxes arising from that legislation, particularly before its effective date.

Subsidiaries of the Group are presented in the following jurisdictions where Pillar II Model Rules have been enacted (or substantially enacted), entering into force in tax years 2024 and beyond: the Republic of Bulgaria, Federal Republic of Germany, Kingdom of the Netherlands, Romania, the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland.

The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar II income taxes in 2023.

In 2024, the Group, based on operational financial information for 2024, assessed the preliminary potential impact associated with the implementation of the Pillar II Model Rules at the legislative level. Based on the results of its assessment, the Group has identified that preliminary potential income tax risk on profits determined under the Pillar II model rules and earned by certain companies with above-mentioned jurisdictions is not material to the consolidated financial statements of the Group. The Group continues to progress on the assessment.

Basis of consolidation

These consolidated financial statements comprise the financial statements of the Fund and its controlled subsidiaries (Note 34).

Subsidiaries

Subsidiaries are the entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary.

Assets, liabilities, revenue and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Except for acquisition in transactions between entities under common control, subsidiaries are consolidated from the date when control is obtained by the Group and are de-consolidated from the date when control ceases. At the acquisition of the subsidiary, acquisition cost is distributed between assets and liabilities based on their fair value as at the date of acquisition. Financial statements of the subsidiaries are prepared for the same reporting period as those of the Fund, using consistent accounting policies.

All intra-group balances and transactions, including unrealized gains resulting from intra-group transactions are eliminated in full. Unrealized losses are eliminated in the same manner as unrealized gains, except that they are eliminated to the extent that there is no evidence of impairment. Non-controlling interests represents a portion of equity in subsidiaries, which is not owned by the Group, and is recorded separately in equity in the consolidated statement of financial position separately from the equity attributable to the Parent. Losses within a subsidiary are attributed to the non-controlling interests even if that results in its deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the Parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as an aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the acquirer measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in general and administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes an analysis of the need of separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, equity interest previously held by the Group in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. If the contingent consideration is not within the scope of IFRS 9, it is measured at fair value through profit and loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, the goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date of an entity by the Group, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operations disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured on the basis of the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Acquisition of subsidiaries from parties under common control

Acquisition of subsidiaries from parties under common control (entities under the Government's control) is accounted for using the pooling of interest method.

Assets and liabilities of the subsidiary transferred under common control are recorded in these consolidated financial statements at the carrying amounts of the transferring entity (the "Predecessor") at the date of the transfer. Related goodwill, if any, inherent in the Predecessor's original acquisition is also recorded in these consolidated financial statements. Any difference between the total book value of net assets, including the Predecessor's goodwill, and the consideration paid is accounted for in these consolidated financial statements as an adjustment to equity.

These consolidated financial statements are presented as if the subsidiary had been acquired by the Group on the date it was originally acquired by the Predecessor.

Change in ownership interests in subsidiaries

In transactions where part of the interest in existing subsidiary is either sold or acquired, but control is retained, the differences between the carrying amounts of net assets attributable to interests in subsidiaries acquired or disposed and the consideration given or received for such increases or decreases are charged or credited to retained earnings.

Joint operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. In relation to its interests in joint operations, the Group recognizes its: Assets, including its share of any assets held jointly; Liabilities, including its share of any liabilities incurred jointly; Revenue from the sale of its share of the output arising from the joint operation; Share of the revenue from the sale of the output by the joint operation; Expenses, including its share of any expenses incurred jointly.

Investment in joint ventures and associates

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint ventures and associates are accounted for using the equity method.

The consolidated statement of comprehensive income reflects the share of the results of operations of the joint venture/associate. Where there has been a change in net assets recognized directly in the equity of the joint venture/associate, the Group recognises its share of any changes and discloses this, when

applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and joint venture/associate are eliminated to the extent of the Group's interest in the joint venture/associate.

The share in profit of joint ventures/associates is shown on the face of the consolidated statement of comprehensive income. This is the profit attributable to equity holders of the joint venture/associate and therefore is profit after tax and non-controlling interests in the subsidiaries of the joint ventures/associates.

Financial statements of the joint venture/associate are prepared for the same reporting period as those of the Parent. Where necessary, adjustments are made to bring their accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its joint ventures/associates.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture/associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of investment in the joint venture/associate and its carrying amount and recognises impairment loss in the consolidated statement of comprehensive income.

Upon loss of joint control over the joint venture and significant influence over associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the investment in the joint venture/associate upon loss of joint control/significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Assets classified as held for sale

Assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through the continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within 1 (one) year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated.

Oil and natural gas exploration, evaluation and development expenditure

Costs incurred before obtaining subsoil use rights (licenses)

Costs incurred before obtaining full subsoil use rights (licenses) are expensed in the period in which they are incurred, except when costs are incurred after signing preliminary agreements with the Government of the Republic of Kazakhstan, in such cases costs incurred after this date are capitalized.

Expenditures for acquisition of subsurface use rights

Expenditures for acquisition of subsurface use rights (exploration and production) comprise signature bonuses, historical costs, obligatory expenditures for ecological and social programs and are capitalized within intangible assets as subsurface use rights at exploration and evaluation phase.

Expenditures for acquisition of subsurface use rights are accounted for on a field-by-field basis. Each field is tested for impairment on an annual basis. If no future activity is planned, the remaining balance of the acquisition costs is written off. Starting from the commercial production on fields subsurface use rights (remaining costs) shall be transferred to the property, plant and equipment and shall be amortized using unit-of-production method on actual production based on total proved reserves.

Exploration and evaluation expenditures (construction in progress)

Exploration and evaluation expenditures include geological and geophysical costs; costs directly related to exploration drilling; stripping activities; overhead and other expenses on exploration and evaluation, which could be related to a certain field. These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors. Except for geological and geophysical costs, exploration and evaluation expenditures are capitalized within exploration and evaluation assets, accounted for by subsurface use contracts and are not amortized. If mineral or hydrocarbon resources are not found, this could be an indication of impairment. All capitalized costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off. If mineral or hydrocarbon resources are determined and development is sanctioned, relevant costs are then transferred to oil and gas or mining assets subclasses.

Development and production expenditures (oil and gas and mining assets)

Development and production expenditures comprise previously capitalized (and reclassified in commencement of production) expenditures for acquisition of subsurface use rights and exploration and evaluation costs; drilling of producing wells regardless of the drilling results; construction of landfills; development of surface technological facilities required for production, collection and preparation of hydrocarbons and mineral resources at fields; other costs incurred in the process of organization of commercial production at fields; capitalized discounted costs for wells and mines abandonment and site restoration.

Development and production expenditures are capitalized within property, plant and equipment (oil and gas and mining assets), and are accounted for on a field-by-field basis. Oil and gas and mining assets are depreciated using a unit-of-production method based on actual production from commencement of commercial production at fields. Certain oil and gas and mining assets (surface facilities and equipment) with useful lives significantly differing from those of the fields are depreciated on a straight-line basis over their useful lives. The cost of acquisition of subsurface use rights including discounted decommissioning costs are depreciated over total proved reserves. The other field development costs are amortized over proved developed reserves.

Property, plant and equipment (other than oil and gas and mining assets)

On initial recognition, property, plant and equipment is measured at cost. Subsequently, property, plant and equipment are stated at cost less accumulated depreciation, depletion and impairment. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Property, plant and equipment, other than oil and gas and mining assets, principally comprise the following classes of assets, which are depreciated on a straight-line basis over the expected useful lives:

Unified power system assets	8-100 years
Refinery assets	4-100 years
Pipelines	2-30 years
Buildings and premises	2-100 years
Railway tracks and infrastructure	10-80 years
Machinery, equipment and vehicles	2-50 years
Other	2-20 years

In cases when items of property, plant and equipment are subject to major inspection, the cost is recognized in the carrying amount of property, plant and equipment as a replacement of component if the recognition criteria set out in IAS 16 are satisfied.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the reporting period the asset is derecognised.

Residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment loss. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognized in the consolidated statement of comprehensive income in the expense category consistent with the function of the intangible asset. Intangible assets with the finite useful life principally comprise the following classes of assets which are amortised on a straight-line basis over the expected useful lives:

Licenses	3-20 years
Software	1-14 years
Other	2-15 years

Indefinite lives intangible assets are not amortized, but tested for impairment annually or whenever there are indications of impairment and, if necessary, written down to the recoverable amount.

Investment properties

Investment property is initially measured at cost, including transaction costs.

Since the Group adopted cost model, after initial recognition, investment property is accounted for in accordance with the cost model as set out in IAS 16 Property, Plant and Equipment, that is, at cost less accumulated depreciation and less accumulated impairment losses.

The depreciation is calculated based on straight line method basis over the expected remaining useful average life of 2-100 years.

Investment property is derecognised (eliminated from the consolidated statement of financial position) on its disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected in the future. The difference between the net inflows arisen from the disposal and carrying amount of the asset is recognised in the consolidated statement of comprehensive income for the period in which it was derecognized.

Impairment of exploration and evaluation assets

Exploration and evaluation assets are tested for impairment when reclassified to oil and gas development tangible or intangible assets or whenever facts and circumstances indicate impairment. One or more of the following facts and circumstances indicate that the Group should test exploration and evaluation assets for impairment (the list is not exhaustive):

- The period for which the Group entity has the right to explore and appraise in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on the further exploration for and evaluation of hydrocarbon resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of hydrocarbon resources in the specific area have not led to the discovery of commercial viable quantities of hydrocarbon resources and the Group entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are “solely payments of principal and interest (SPPI)” on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through other comprehensive income;
- Financial assets at fair value through profit or loss.

The Group’s financial assets at amortised cost include trade and other receivables, loans due from third and related parties, debt securities of third and related parties and bank deposits. Also, the Group includes in its financial assets measured at amortized cost notes of the National Bank of the Republic of Kazakhstan with a maturity of up to 3 months due to the fact that these investments are part of the Group’s investment activities and not part of cash management.

The Group’s financial assets at FVOCI include mainly debt securities of third and related parties.

The Group’s financial assets at FVPL include mainly loans issued, debt and equity securities of third and related parties.

Derecognition

A financial asset is primarily derecognised (removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Hedge accounting

The Group designates certain hedging instruments in respect of foreign currency risk, as either hedges of net investments in foreign operations or cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values of foreign operations or cash flows of the hedged item attributable to the hedged risk.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item.

Hedge accounting is discontinued:

- a) When the Group revokes the hedging relationship;
- b) When the hedging instrument expires or is sold, terminated, or exercised; or
- c) When it no longer qualifies for hedge accounting.

Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

Investments in foreign operations hedge

Foreign currency gain or loss arising on items that are designated as part of the hedge of the Group's net investment in foreign operations are recognized in consolidated statement of comprehensive income within currency translation reserve.

Cash flow hedges

Foreign currency gain or loss arising from financial instruments that are designated and qualify as cash flow hedges is recognized in consolidated statement of comprehensive income within hedge reserve.

Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Costs comprise charges incurred in bringing inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to sell. The same cost formula is used for all inventories having a similar nature and use. Inventories of oil and gas and energy operating segments are valued on a first-in first-out ("FIFO") basis. All other inventories are valued on the weighted-average cost basis.

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits, short-term and highly liquid investments with original maturity of not more than 3 (three) months readily convertible to known amounts of cash and subject to insignificant risk of change in value.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans borrowings and payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Trade and other payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate (EIR).

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the financial guarantee contracts after initial recognition at the higher of the amount initially recognized less, when appropriate, the cumulative amount of income/amortization in accordance with the principles of IFRS 15 Revenue from Contracts with Customers and the amount of the estimated allowance for expected credit losses.

Leases

Determining whether the agreement is a lease or whether it contains evidence of a lease is based on an analysis of the content of the agreement at the date of the commencement of the lease. The agreement is a lease or contains signs of a lease if the implementation of the agreement depends on the use of a particular asset (or assets), and the right to use the asset or assets as a result of this agreement is transferred from one party to the other, even if this asset (or these assets) is not indicated (not specified) in the agreement explicitly.

The Group as lessee

For the lease contracts (or separate components of the contracts), under which the Group is granted the right to control the use of an identified asset (as defined by IFRS 16 Leases) for a certain period of time in exchange for consideration, the Group recognizes a right-of-use asset and a corresponding lease liability at the inception of the contract. Non-lease components of the contracts are accounted for in accordance with other relevant standards.

In accordance with IFRS 16 Leases, the Group applies practical expedient for not recognising the lease for the lease contracts with lease term of less than 12 months at lease inception and without purchase option, for the leases with variable lease rates that do not depend on an index or rate and for the leases of low value assets.

The Group recognizes short-term leases and leases of low value assets as expense on a straight-line basis over the term of the lease. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease payments are discounted by using the

Group incremental borrowing rate, except when the rate is implicit in the lease and can be readily determined.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

At the commencement date, the Group measures the right-of-use asset at cost that includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred by the lessee. The right-of-use asset is subsequently measured according to the accounting policy that is applied for own assets, including for depreciation and amortization and impairment measurement.

The recognised right-of-use asset is depreciated over the shorter period of expected useful life of the underlying asset or lease term.

The Group presents lease liabilities in the consolidated statement of financial position as a separate line (Note 23), while right-of-use assets are presented within the same line item as that within which the corresponding underlying assets would be presented if they were owned, i.e. within property, plant and equipment (Note 8).

In accordance with the requirements of IFRS 16, the Group classifies repayment of principal in cash flows from financial activities. In accordance with the Group's accounting policy, interest paid is classified as part of the cash flows from operating activities. Payments on short-term leases, leases of low value assets and variable rental payments not included in the valuation of the lease liability are presented as part of operating activities.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its property, plant and equipment items.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Provisions

Asset retirement obligation (decommissioning)

Provision for decommissioning is recognized in full, on a discounted cash flow basis, when the Group has an obligation to dismantle and remove a facility or an item of property, plant and equipment and to restore the site on which it is located, and when a reasonable estimate of that provision can be made. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding addition to the carrying amount of the related item of property, plant and equipment in the amount equivalent to the provision is also recognized. This amount is subsequently depreciated as part of the capital costs of the production and transportation facilities in accordance with respective depreciation method.

Changes in the measurement of an existing decommissioning provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or change in the discount rate, is accounted for so that:

- Changes in the provision are added to, or deducted from, the carrying amount of the related asset in the current period;
- The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognized immediately in the consolidated statement of comprehensive income; and
- If the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss, in accordance with IAS 36.

Other provisions

Provisions are recognized in the consolidated financial statements when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Employee benefits

Contributions to pension funds

The Group withholds 10% from the salary of its employees limited to certain annual amounts as the employees' contribution to their designated pension funds. Under the legislation, employees are responsible for their retirement benefits payable by that pension funds and the Group has no present or future obligation to further compensate its employees upon their retirement in relation to these arrangements.

Social tax

The Group pays social tax on salaries payable to employees according to the current statutory requirements of the Republic of Kazakhstan. Social tax is expensed as incurred.

Defined benefit plan

In accordance with the Collective Agreements signed with trade unions and other benefit regulations, some subsidiaries of the Group provide certain benefits to its employees upon their retirement (“Defined Benefit Plan”).

The Group recognises actuarial gains and losses arising from the reassessment of the employee benefit liability in the period they are identified in OCI and profits and losses, and recognises benefit costs and obligations based on estimates determined in accordance with IAS 19 Employee Benefits.

The obligation and cost of benefits under the defined benefit plan are determined using the projected unit credit method. This method considers each year of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The cost of providing benefits is charged to profit and loss, so as to attribute the total benefit cost over the service lives of employees in accordance with the benefit formula of the defined benefit plan. This obligation is measured at the present value of estimated future cash flows using a discount rate that is similar to the interest on government bonds where the currency and terms of these bonds are consistent with the currency and estimated terms of the defined benefit plan obligation. The defined benefit plans of Group’s subsidiaries are unfunded.

Equity

Share capital

Common shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity. Any excess or deficiency of the fair value of consideration received over the par value of shares issued is recognized as an increase or decrease in the retained earnings.

Non-controlling interests

Non-controlling interests are initially recognized in proportion to identifiable net assets at the acquisition date.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the equity holders of the Parent. Losses of subsidiaries are attributed to the non-controlling interests even if this results in a deficit balance.

Dividends

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed in the consolidated financial statements when they are proposed before the reporting date or proposed or declared after the reporting date but before the consolidated financial statements are authorised for issue.

Other distributions to the Shareholder

Other distributions to the Shareholder recognized as deductions from retained earnings are represented by expenses incurred or asset distribution made at the discretion of the Shareholder, including property, plant and equipment, interest in another entities, other disposal groups, cash and other assets in accordance with accounting policy of the Group.

Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured.

Sale of goods

Revenues are recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. For export sales, title generally passes at the border of the Republic of Kazakhstan. Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts, volume rebates and reimbursable taxes.

Sales of support services are recognized as services are performed provided that the service price can be determined and no significant uncertainties regarding the receipt of revenues exist.

Rendering of services

Revenue from rendering of services is recognized when the services have been performed. In respect of services related to transportation, revenue is recognized with reference to the stage of completion of the transportation at the reporting date provided that the stage of completion of transportation and the amount of revenue can be measured reliably. Prepayments received from customers relating to transportation services that have not been started yet are recognized upon receipt as “advances received from customers”. Deferred income is credited to current revenue, as the service is provided.

The Group’s revenue in the energy, communications and transportation segments is primarily recognized over a period of time, while the rest of the Group’s revenue is primarily recognized at a point in time.

Sale and lease back transactions

The Group accounts for a transfer of an asset in a sale and leaseback transaction as a sale only if the transfer meets the requirements of IFRS 15 Revenue from Contracts with Customers. If, under IFRS 15, a sale is to be recognised by the seller-lessee, then the right-of-use asset leased back is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. The seller-lessee recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

If the transfer of an asset by the seller-lessee does not satisfy the requirements of IFRS 15 to be accounted for as a sale of the asset, the seller-lessee continues to recognize the transferred asset and recognizes a financial liability equal to proceeds for the transfer by applying IFRS 9 Financial Instruments.

Interest and finance income and expenses

Interest income and expenses on financial instruments, issued and received in the framework of achieving

the goal, fulfilling the tasks and carrying out the core activities of the Group is disclosed as interest income and expense. All other interest income and expense not related to the core activities of the Group are disclosed in finance income and expenses. Finance income includes interest on cash and cash equivalents, amounts due from credit institutions, loans issued, financial guarantees and other financial assets and liabilities. Finance expenses include amortization of discount on borrowings, costs associated with attracting and servicing borrowed funds internally and externally, including interest expenses and other similar expenses.

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as investments held at FVOCI, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Contract liabilities from contracts with customers

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Costs to obtain a contract

The Group pays commission to sales agents for new connected subscribers in the communication segment. The commission to sales agents is capitalized within other non-current assets in the consolidated statements of financial position. Costs to obtain a contract are amortized over the period the service is provided to the customer.

Establishment of tariffs

A number of subsidiaries of the Group are subject to regulation by the Committee for regulation of natural monopolies of the Republic of Kazakhstan (“CRNM”). This Committee is responsible for approval of the methodology for tariff calculation and tariff rates, under which the subsidiaries derive a significant portion of their revenues.

Government grants

Due to the fact that the Government of the Republic of Kazakhstan is the sole shareholder of the Fund, the Group analyses all transactions with the Government to assess its role: where the Government acts primarily in its capacity of the Shareholder or where it acts as a regulator.

If it is determined that in a specific transaction the Government acts in capacity of the Shareholder any gains or losses incurred by the Group as a result of such transaction are reflected directly in equity as either a contribution or withdrawal of equity by the Shareholder.

If it is determined that in a specific transaction the Government does not act in capacity of the Shareholder such transactions are accounted for using provisions of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. In such circumstances, government grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended

to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments. Grants related to income are presented separately in the consolidated statement of comprehensive income within revenues from operating activities.

Income tax

Income tax for the year comprises current and deferred tax. Income tax is recognized in the profits and losses, except to the extent that it relates to items charged or credited to other comprehensive income or equity, in which case it is recognized in other comprehensive income. Current tax expense is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.

Excess profit tax (“EPT”) is treated as an income tax and forms part of income tax expense. In accordance with the subsurface use contracts, the Group accrues and pays EPT, at specified rates of after tax profit which has been adjusted for specific deductions in accordance with the applicable subsurface use contracts, when certain internal rates of return are exceeded.

Deferred tax is calculated with respect to both corporate income tax (“CIT”) and EPT. Deferred EPT is calculated on temporary differences for assets allocated to subsurface use contracts at the expected rate of EPT to be paid under the contract.

Deferred tax is provided using the statement of financial position method, in relation to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences arising due to the following are not provided for:

- The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Value added tax (“VAT”)

Tax authorities permit the settlement of sales and purchases VAT on a net basis. VAT receivable represents VAT on domestic purchases net of VAT on domestic sales. Export sales are zero rated.

Related parties

Related parties include the Group’s Shareholder, key management personnel, associates, joint ventures and entities in which a substantial interest in the voting power is owned, directly or indirectly, by the Group’s shareholders or key management personnel.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent assets and liabilities at the reporting date and reported amounts of assets, liabilities, revenues, expenses and contingent assets and liabilities during the reporting period. Actual outcomes could differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of oil and gas assets, downstream, refining and other assets

The Group assesses assets or cash generating units (hereinafter – “CGU”) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices, discount rates, future capital requirements, operating performance (including production and sales volumes) that are subject to risk and uncertainty. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered to be impaired and is written down to its recoverable amount. In assessing recoverable values, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Impairment testing assumptions

The Group assessed the existence of impairment indicators of non-current assets and where impairment indicators were identified, the Group performed the impairment tests.

The Group's long-term assumptions for Brent oil prices, KZT/USD exchange rate and inflation projections have been revised and are based on externally sourced forecasts and rates of the independent research organizations considering long-term market expectations. Production volumes estimates are based on proved developed and undeveloped reserves for subsidiaries, and on proved and probable reserves for significant investments in joint ventures and associates. Production period is either based on subsoil use contracts' expiration date or on extended license period, to which the Group has strong intention to extend its licenses. Estimated production volumes are based on the Group's production plans that are mostly used for the purposes of application filing for extension of subsoil use contracts.

Discount rates were estimated on the weighted average cost of capital of the individual cash generating unit and ranged between 11.22-16.42% depending on the functional currency, production period, size, equity risk premium, beta and gearing ratio of the relevant CGU.

The long-term price assumptions applied were derived from Bloomberg consensus; so did the near-term commodity price assumptions, a summary of which, in real 2024 terms, is provided below:

	2025	2026	2027	2028	2029
Brent oil (ICE Brent \$/bbl)	73.25	71.00	73.00	72.00	72.30

In 2024 impairment charges in Oil-and-gas and petrochemical segment were 123,248 million tenge, which mainly relate to the impairment of a seawater desalination plant and supply infrastructure in Zhanaozen city in the amount of 70,521 million tenge and exploration and evaluation assets of Abai project in the amount of 17,703 million tenge (Note 29).

The reversal of impairment charges in the Oil-and-gas and petrochemical segment amounted to 40,251 million tenge, which mainly relate to the reversal of previously recognized impairment losses of the drilling jackup rig (hereinafter “Jack-up rig”) in the amount of the excess of the Jack-up rig's value in use over its carrying amount of 16,189 million tenge and an advance paid for the construction of a desalination plant in the city of Zhanaozen in the amount of 17,324 million tenge (Note 29).

In 2023 impairment charges in Oil-and-gas and petrochemical segment were 278,177 million tenge, which mainly relate to the exploration and evaluation assets of Aktoty and Kairan project in the amount of 74,255 million tenge and Jenis project in the amount of 40,244 million tenge and the CGU KMGI in the amount of 97,636 million tenge (Note 29).

Headroom of the majority of oil and refining assets are sensitive to changes in price or other assumptions. The changes within next financial periods may result in recoverable amount of these assets above or below the current carrying amounts and therefore there is a risk of impairment reversals or charges in those periods.

KMG International N.V. (hereinafter KMGI), including goodwill

In 2023 the Group performed its impairment tests for goodwill and downstream, refining and other assets due to existence of impairment indicators at the CGUs of KMGI: CGU Refining, CGU Petrochemicals and CGU Downstream. As the result of the impairment test, recoverable amount of KMGI CGUs were lower than its carrying values. The total impairment loss for the analyzed KMGI's CGUs was 94,962 million tenge, of which CGU Refining was estimated at 80,761 million tenge, for CGU Petrochemicals at 340 million tenge and for CGU Downstream at 13,861 million tenge.

The main impairment indicators have been i) the increased oil & gas market refining margins volatility and decreased market demand in the context of strict decarbonization regulations and geopolitical instability, ii) lack of a long-term decarbonization plan of KMGI, iii) the change in the tax environment in Romania, in particular the introduction at the end of 2023 of a turnover tax in the oil and gas sector in the amount of 0.5%, starting from 2024 to 2025, and further 1% or more depending on the turnover of enterprises. The Group considered forecasted refining margins and production volumes, among other factors, when analyzing the impairment indicators. The recoverable amount of KMGI CGU Refining was determined based on fair value less costs of disposal (FVLCD), which was calculated using the discounted cash flow method. The key assumptions used in the FVLCD calculations for the CGU were operating profit, including the assumption that KMGI will be able to recover, through an increase in the final selling price, the costs of turnover tax from 2026, discount rates and growth rate used to extrapolate cash flows beyond the budgeted period.

In addition, KMGI applied the assumption that introduced in 2024 an additional tax burden on KMGI turnover will be recovered by a phased increase in the price for the final users.

As of December 31, 2024 KMGI retested for impairment and no additional impairment or reversal of previously recognized impairment was identified.

In June 2023, an incident occurred at the Petromedia Refinery, a subsidiary of KMGI, which led to the temporary decommissioning of the Mild Hydrocracker installation. Petromedia Refinery conducted assessments to estimate the incident consequences and recognized impairment of property, plant and equipment for 2,674 million tenge.

Reversal of impairment of Jackup rig

As of December 31, 2024, KMG Drilling & Services LLP, a subsidiary of the Group, conducted an impairment test for the jack-up rig and recognized a reversal of a previously recognized impairment loss in the amount of the excess of the value in use of the jack-up rig over its carrying amount in the amount of 16,189 million tenge (Note 29).

Value in use was determined by discounting the expected future cash flows from the operation of the jack-up rig under a three-year contract with Dragon Oil (Turkmenistan) Ltd for drilling operations in the Turkmen sector of the Caspian Sea, with an option to extend it for two years.

The following significant assumptions were made in calculating value in use:

Discount rate	17.7%
Daily operating rate for the operation of a jack-up rig	130 thousand USD
Daily operating expenses	68 thousand USD
Number of operating days per year during which the jack-up rig will be used	365
Load factor including idle days	95%

Reversals of impairment are limited so that the carrying amount of the asset as at December 31, 2024 does not exceed its recoverable amount, and does not exceed the carrying amount at which Drilling jackup rig would have been recognized in case of had no impairment loss been recognized in prior years.

Pavlodar refinery, including goodwill

As of December 31, 2024, and 2023 the Group has goodwill of 88,553 million tenge related to acquisition of Pavlodar refinery (Note 9). In December 2024 and 2023 the Group performed annual impairment test for the Pavlodar refinery goodwill. In assessing the recoverable amount, the fair value less the cost of sale was calculated, determined using a marketing scheme. The Group considered the forecast for oil tolling volumes, oil tolling tariffs, capital expenditures, among other factors, when reviewing for indicators of impairment. The recoverable amount is calculated using a discounted cash flow model. In 2024, the discount rate of 14.12% (2023: 16.02%) was calculated based on the pre-tax weighted average cost of capital. The inherent risk was included by applying an individual beta factor. The beta factor was estimated based on the publicly available market data. Forecasted cash flows till to 2032 were based on five-years business plan of Pavlodar refinery 2025-2029 (2023: 2024-2028 years), which assumes current management estimates on potential changes in operating and capital costs. As at December 31, 2024 and 2023 the recoverable amount of goodwill, which was determined based on fair value less cost to sell, exceeded its book value, as such no impairment of Pavlodar refinery goodwill was recognized.

Sensitivity to changes in assumptions

Results of the assessment of recoverable amount of Pavlodar refinery goodwill are sensitive to changes in key assumptions, in particular, assumptions related to changes in discount rate and target EBITDA in terminal period. Increase in discount rates by 1.0% to 15.12% (2023: 17.02%) and decrease of target EBITDA in terminal period by 1% would not result decrease of the recoverable amount of CGU Pavlodar refinery to its carrying value.

Transportation and storage of gas by Intergas Central Asia JSC ("ICA")

The recoverable amount of the cash-generating unit is calculated using a discounted cash flow model. The discount rate was derived from the weighted average cost of capital after tax. The weighted average

cost of capital takes into account both debt and equity capital. The cost of equity is derived from the expected return on ICA investments. The cost of debt capital is based on the interest-bearing loans that ICA is obligated to service. Inherent risk was included by applying an individual beta factor. Beta factor was estimated based on publicly available market data. The business plan, approved on an annual basis, is the main source of information for projected cash flows. It contains forecasts for gas transportation volumes, revenues, expenses and capital expenditures.

Various assumptions, such as transportation rates as well as inflation rates for expenses take into account existing prices, other macroeconomic factors and historical trends and fluctuations. Cash flow projections were based on the ICA's five-year business plan and projections through 2055 calculated using management's current estimates of potential changes in operating cost and capital expenditures at the level of tariff growth. The main assumptions used in the calculation were projected as follows:

- Transportation volume – average annual growth rate over the five-year forecast period based on historical results and management's expectations regarding market developments;
- Transportation tariff – based on tariffs approved by the Committee for the Regulation of Natural Monopolies (CRNM) for the domestic market and tariffs under contracts with international counterparties for transportation for export and transit, taking into account the average annual growth rate and long-term inflation forecasts after a five-year forecast period;
- Annual capital expenditures – based on management's historical experience and planned expenses according to five-year forecast data for maintaining production assets and other fixed assets directly involved in the production process, as well as investments in new projects;
- Macroeconomic forecasts – the model used auxiliary forecasts from the international source S&P Global and Oxford Economics, such as consumer and production forecasts, as well as interest rate forecasts, inflation and the forecast dollar/tenge exchange rate for the next 25 years. Data on consumer and output changes and the dollar exchange rate were obtained from S&P Global, and interest rate and inflation forecasts were obtained from Oxford Economics.

The following are the assumptions used to determine the value in use and to which the recoverable amount is most sensitive:

Assumptions regarding the recoverable amount of non-current assets:	December 31, 2024	December 31, 2023
Growth rates over 5 years	5.14%	4.19%
Discount rate before tax	15.21%	16.96%
Transportation volumes (throughout the forecast period):		
transportation within Kazakhstan	1,032 bln. m ³	1,073 bln. m ³
transportation of gas for export	115 bln. m ³	17 bln. m ³
international transit	1,302 bln. m ³	1,245 bln. m ³
Transportation tariffs:		
transportation within Kazakhstan (thousand m ³)	From 5,471.08 tenge	From 5,425.26 Tenge
transportation of gas for export (thousand m ³ /100 km)	2.42 US Dollars – 5 US Dollars	2.42 US Dollars – 5 US Dollars
international transit (thousand m ³ /100 km)	2.42 US Dollars	2.42 US Dollars – 2.9 US Dollars

As at December 31, 2024 the recoverable amount of non-current assets amounted to 1,469,770 million tenge, which exceeded their carrying amount by 135,574 million tenge (at December 31, 2023: 1,249,898 million tenge that exceeded their carrying amount by 61,870 million tenge).

Results of the assessment of recoverable amount of CGU's assets are sensitive to changes in key assumptions, in particular, assumption related to changes in discount rate. Increase in discount rates by 1.0% would result in impairment charge of 6,045 million tenge.

As at December 31, 2024, the recoverable amount of the cash-generating unit would have been equal to its carrying amount if the applied discount rate increases from 15.21% to 16.16%.

Gas sales to local energy distributors, legal entities and individuals by QazaqGaz Aimaq JSC ("QG Aimaq")

The recoverable amount of the cash-generating unit was determined as value in use using a discounted cash flow model. Cash flow estimates include many subjective factors, including operational and financial, using the best available evidence.

The discount rate was derived from the weighted average cost of capital before tax. The weighted average cost of capital takes into account both debt and equity capital. The cost of equity is derived from the expected return on investments of QG Aimaq. The cost of borrowed capital is based on the interest-bearing loans that QG Aimaq is obliged to service. Inherent risk was included by applying an individual beta factor. Beta factor was estimated based on publicly available market data.

The main assumptions used in the calculation were predicted as follows:

- Volume of gas purchases and supplies – based on the Comprehensive Development Plan for the Gas Industry of the RK for 2022–2026, approved by the Decree of the Government of the RK, and the Gas Balance of the RK for 2024-2030, approved by Order of the Minister of Energy of the RK, as well as the Business Plan for 2025–2029, approved by the Board of Directors of QG Aimaq;
- Transportation tariffs – based on tariffs approved by the Committee for the Regulation of Natural Monopolies (CRNM) for five years and taking into account the average annual growth rate and long-term inflation forecasts after the five-year forecast period;
- Annual capital expenditures – based on management's historical experience and planned costs to maintain production assets and other property, plant and equipment directly involved in the production process, as well as investments in new projects.

Cash flows beyond the five-year period are extrapolated using the assumed growth rates shown below. These growth rates are in line with forecasts for the gas industry.

The following are the assumptions used to determined the value in use was and to which recoverable amount is most sensitive:

Assumptions regarding the recoverable amount of non-current assets:	At December 31, 2024
Growth rates over 5 years	5.16%
Discount rate before tax	15.74%;
Gas sales volumes until 2030	120.3 bln. m³
Gas transportation volumes until 2030	94 bln. m³
Tariffs for:	
gas sales (thousand m3)	from 27.6 thousand tenge
gas transportation (thousand m3)	from 4.2 thousand tenge

As at December 31, 2024 the recoverable amount of non-current assets amounted to 284,628 million tenge, which exceeded their carrying amount by 33,115 million tenge (as of December 31, 2023: 282,730 million tenge, which exceeded their carrying amount by 32,923 million tenge).

Results of the assessment of recoverable amount of CGU's assets are sensitive to changes in key assumptions, in particular, assumption related to changes in gas sales and transportation volumes. Decrease in gas sales and transportation volumes by 5.0% would result in impairment charge of 16,325 million tenge.

As at December 31, 2024 the recoverable amount of the cash-generating unit would have been equal to its carrying amount if the applied gas sales and transportation volumes decrease from 120.3 billion m³ and 94 billion m³ to 116.3 billion m³ and 90.8 billion m³, respectively.

Other CGUs

Revision to the Group's commodity price and other assumptions have not resulted in impairment charges in any other CGUs of the in Oil-and-gas and petrochemical segment.

Oil and gas reserves

Oil and gas reserves are a material factor in the Group's computation of depreciation, depletion and amortization expenses. The Group estimates its oil and gas reserves in accordance with the methodology of the Society of Petroleum Engineers (SPE). In estimating its reserves under SPE methodology, the Group uses long-term planning prices. Using planning prices for estimating proved reserves removes the impact of the volatility inherent in using year-end spot prices. Management believes that long-term planning price assumptions, which are also used by management for their business planning and investment decisions are more consistent with the long-term nature of the upstream business and provide the most appropriate basis for estimating oil and gas reserves.

All reserve estimates involve some degree of uncertainty. The uncertainty depends mainly on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of this data.

The relative degree of uncertainty can be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Proved reserves are more certain to be recovered than unproved reserves and may be further sub-classified as developed and undeveloped to denote progressively increasing uncertainty in their recoverability.

Estimates are reviewed and revised annually. Revisions occur due to the evaluation or re-evaluation of already available geological, reservoir or production data, availability of new data, or changes to underlying price assumptions. Reserve estimates may also be revised due to improved recovery projects, changes in production capacity or changes in development strategy. Proved developed reserves are used to calculate the unit of production rates for depreciation, depletion and amortization in relation to oil and gas production assets. The Group has included in proved reserves only those quantities that are expected to be produced during the initial subsoil use contract period. This is due to the uncertainties surrounding the outcome of such renewal procedures, since the renewal is ultimately at the discretion of the Government. An increase in the Group's subsoil use contract periods and corresponding increase in reported reserves would generally lead to lower depreciation, depletion and amortization expense and could materially affect earnings. A reduction in proved developed reserves will increase depreciation, depletion and amortization expense (assuming constant production), reduce income and could also result in an immediate write-down of the property's book value. Given the relatively small number of producing fields,

it is possible that any changes in reserve estimates year on year could significantly affect prospective charges for depreciation, depletion and amortization.

Please refer Note 29 for details on annual impairment test results.

Uranium reserves (estimate)

Uranium reserves are a critical component of the Group's projected cash flow estimates that are used to assess the recoverable values of relevant assets as well as depreciation and amortisation expense. Estimates of uranium reserves also determine the life of mines, which in turn affect asset retirement obligation calculations.

On an annual basis the Group engages an independent consultant to assess the Group's ore reserves and mineral resources in accordance with the Australasian Code for reporting on geological exploration works, mineral resources and ore reserves (hereinafter JORC Code). Independent assessment of reserves and resources was carried out as of December 31, 2024 and 2023. The consultant reviewed all key information upon which the reported mineral resource and ore reserve statements for the mining assets of the Group are based.

The consultant's reports contain an assessment of the tons of uranium contained in ore which has the potential to be extracted by the existing and planned mining operations (the mineral resource), and also the tons of uranium contained in ore currently planned to be extracted as envisaged by the respective life-of-mine plans (the ore reserve). The Group used the ore reserves data for calculation of impairment of long-term assets, unit of production depreciation for each of the Group's mines as well as asset retirement obligation calculations.

Assets related to uranium production

Assets related to uranium mines include property, plant and equipment, mine development assets, mineral rights, exploration and evaluation assets, investments in associates, investments in joint ventures, and other investments. For the purpose of impairment testing assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group has identified each mine (contract territory) as a separate cash-generating unit unless several mines are technologically connected with single processing plant in which case the Group considers such mines as one cash-generating unit.

MC Ortalyk LLP, JV Akbastau JSC and Karatau LLP

Goodwill relates to prior period business combinations of MC Ortalyk LLP in the amount of 5,166 million tenge, Karatau LLP of 24,808 million tenge and JV Akbastau JSC of 18,520 million tenge (Note 9). At least annually, goodwill is tested for impairment at the level of a corresponding cash generating unit.

The carrying value of goodwill applicable to each of the entities was allocated to their respective cash generating units, Central Mynkuduk mine (Central block) and separate blocks of Budenovskoye mine (Note 5) for MC Ortalyk LLP and Karatau LLP, JV Akbastau JSC, respectively.

The recoverable amount was determined on a value in use basis, cash flows forecasts were based on approved reserves, estimated production volumes, subsurface use contracts periods and a pre-tax discount rate of 17.65% for 2024 year (2023: 18.60%).

Production volumes are consistent with those agreed with the competent authority and independent consultant's report and are based on the production capacity of the cash-generating units. Key assumptions used in calculations include forecast sales prices, production volumes. Sales prices used

in developing forecasted cash flows were based on annual spot and long-term base price projections (denominated in US Dollar per pound of uranium) published by Ux Consulting LLC in the fourth quarter of 2024.

Production costs and capital expenditures are based on approved business plans for 2025–2029 and growth of 5% which approximates long-term average inflation rates. The estimated values in use significantly exceed the carrying amounts of the non-current assets of the three cash-generating units, including goodwill, and therefore even reasonably possible changes in key assumptions would not lead to impairment losses being recognized.

Railway assets

The Group considers railway assets as a single CGU because under the Group's current operating model, cash flows from railway infrastructure are not considered sufficiently independent. Railway infrastructure is holistic and is not differentiated into freight and passenger transportation lines. Accordingly, there is no objective allocation of infrastructure assets for cash flows from freight and passenger transportation. Due to the specifics of freight transportation tariff regulation and the need to cross-subsidise passenger transportation, railway infrastructure cannot generate independent cash flows. Accordingly, the railway assets are treated as one CGU.

When assessing impairment indicators of property, plant and equipment the Group considers external and internal impairment indicators. The management of the Group considered external and internal impairment indicators to determine if any events or changes in circumstances demonstrate that the carrying amount of property, plant and equipment is not recoverable.

The assessment of whether there is an indication of assets impairment is based on a number of factors, such as a change in market rates, in growth expectations in the railway industry, future cash flow estimates, changes in the future availability of financing, technological obsolescence, discontinuance of service provision, current replacement costs and other changes in circumstances.

As at December 31, 2024, the Group performed the analysis of the above external and internal impairment indicators of property, plant and equipment, in particular changes in interest rates, an analysis of the achievement of actual indicators versus budgeted indicators, as well as an analysis of the transit freight turnover and changes in the exchange rate of tenge to the Swiss Franc, as the transit tariff is set in Swiss Franc.

The measurement of whether each external and internal factor is an indication of impairment requires significant management judgement. Management's key judgement is based on the fact that amid the current geopolitical situation and disruption of traditional transportation and logistics chains, the country's transit potential is a key factor in the promotion of transcontinental trade.

The management of the Group did not identify any events that occurred in 2024 that could be considered as an indicator of the impairment of the railway infrastructure assets as at December 31, 2024.

Power generating assets

Analysis of the impairment indicators of property, plant and equipment – production of electricity and heat based on coal, transmission and distribution of electricity

The Group's management performed the analysis of the impairment indicators of property, plant and equipment of subsidiaries "Almaty Electric Stations" ("AIES") JSC, Ekibastuz GRES-1 named after Bulat Nurzhanov LLP ("EGRES-1"), Alatau Zharyk Company JSC ("AZhK") and "Station Ekibastuzskaya GRES-2" JSC ("EGRES-2") in accordance with IAS 36 "Impairment of Assets".

The principal facts and assumptions used in the analysis of the impairment indicators are:

- Lack of negative changes in the economic efficiency of subsidiaries for the reporting period;
- Increase in marginal tariffs for electricity for power plants from January 1, 2024 for 10–27% from current tariffs and from November 1, 2024 tariff of EGRES-1 for 3% from current tariff in accordance with Order of the Minister of Energy of the RK with the possibility of adjusting tariffs when major costs increase in accordance with the Rules for approving the marginal tariff for electrical energy;
- A change in interest rates on loans will not have a significant impact on the recoverable amount of assets, since an increase in the debt financing rate will be similarly reflected in the WACC rate when calculating the rate of return, in the next validity period of the cap tariffs, according to the methodology for determining the rate of return taken into account when approving the cap tariffs for electricity, as well as a fixed profit for balancing, taken into account when approving cap tariffs for balancing electricity approved by Order of the Minister of Energy of the RK dated May 22, 2020 No. 205, the cost part of the tariff also includes interest expenses for the previous period;
- A change in inflation rates will not have a significant impact, since the cost part of the tariff includes costs taking into account actual inflation for the previous year, as well as amendments to the Law “On Natural Monopolies” dated December 30, 2022 No. 177-VII ZRK stipulate additional conditions for adjusting tariffs approved for 5 years for the transmission of electricity before its expiration (change in the approved investment program in connection with the implementation of national projects, receipt on the balance sheet or in trust management of networks, change in the average monthly nominal wage);
- The introduction of a new target model of the electricity sales market from July 1, 2023 did not have a significant impact on the financial results of the Group’s power plants. The volume of purchases and sales of imbalances on the balancing electricity market amounted to less than 1% of the total sales volume, which is a minor deviation. The Group’s stations primarily operate in accordance with the declared volumes and accordingly, the plan usually corresponds to the fact, which allows minimizing the volume of transactions on the balancing electricity market;
- Lack of significant changes having adverse consequences for subsidiaries, which occurred during the period or may presumably occur in the nearest future;
- Projected growth in the medium term in demand for electricity in the northern and southern zones of the RK.

Additional facts and assumptions used in the analysis of impairment indicators for AIES:

- Increase in the tariff for heat energy from January 1 and September 1, 2024. In accordance with the Law of RK “On natural monopolies” there is a possibility to adjust tariffs in case of changes in the type and cost of strategic goods;
- It is planned to modernize the two main power plants of AIES - Almaty CHP-2 and CHP-3 (Note 37). The residual value of the existing assets of the coal-fired power units of these plants, subject to conservation or dismantling, by the time the new combined cycle power units are put into operation will be equal to zero;
- No significant changes that have occurred during the period or are expected to occur in the near future and can have a material effect on the asset’s recoverable amount.

Additional facts and assumptions used in the analysis of impairment indicators for AZhK:

- Overfulfillment of the plan in terms of key operational and financial performance indicators at December 31, 2024;
- Projected growth in the medium term in demand for electricity in the Almaty city and the Almaty region;

- Increase in the tariff for electricity transmission from January 1, 2024 for 6.7% and from August 1, 2024 for 28.5% per joint order of the DCRNM of the Ministry of National Economy of the RK for Almaty and Almaty Region;
- Costs of purchased electricity from the Settlement and Financial Center for Support of Renewable Energy Sources LLP (hereinafter - “RFC”) and on the balancing electricity market are included in the tariff estimate;
- Law of the RK dated December 30, 2022 No. 177-VII amended Law of RK “On Natural Monopolies” dated December 27, 2018 No. 204-VI ZRK allowing to adjust the tariffs for electricity transmission approved for 5 years before expiration. By the Order of the Minister of National Economy of the RK dated December 8, 2023, changes were made to the Rules for the formation of tariffs of natural monopoly entities, approved by Order of the Minister of National Economy of the RK dated November 19, 2019 No. 90, which updated the incentive method for regulating the spheres of natural monopoly, allowing the use of 50% the permissible level of profit at the discretion of the natural monopoly entity, upon achieving the performance indicators determined by the specified Rules.

As a result of the analysis of external and internal impairment indicators, the Group’s management concluded that there were no impairment indicators at the date of the analysis. Accordingly, the Group’s management has elected not to test for impairment of property, plant and equipment and intangible assets of these subsidiaries at December 31, 2024.

In 2023 the Group has identified an individual impairment indicator of impairment for Ereymentau Wind Power LLP due to the delay in the implementation of the 50 MW wind power plant construction project in Ereymentau and the litigation of Ereymentau Wind Power LLP with the RFC in relation to prolongation of contract on provision of tariff for electricity sales. The Group recognized a full impairment of construction in progress objects in the amount of 4,913 million tenge and prepayments on long-term assets in the amount of 9,156 million tenge (Note 29).

Cost of equipment purchased for the construction of power unit No. 3 at EGRES-2

In 2008 EGRES-2 began preparations for the construction of power unit No.3 with a capacity of 500 MW. Subsequently, the project was revised and until 2016 the Company was at the stage of implementing design and estimate documentation, preliminary construction and purchasing the necessary equipment for the new power unit No. 3 with a capacity of 630 MW. On August 29, 2016, EGRES-2 terminated the general contract for the construction of power unit No. 3, concluded between EGRES-2 and KVARTS KZ LLC due to the postponement of the construction deadlines.

In the following years, steps were taken to implement the project:

- On March 14, 2022, the Market Council Commission for Review of Investment Programs made a unanimous decision to recommend the investment program of EGRES-2 "Expansion and reconstruction of EGRES-2 with the installation of power unit st. No. 3" for admission to consideration by the authorized body;
- Measures were taken to prepare for the receipt and proper storage of equipment from the People's Republic of China (hereinafter “China”), heated hangar-type buildings were built and guarded storage facilities were allocated. A significant part of the process equipment for the power unit was accepted. However, to complete the construction of the power unit, an additional order for the missing part of the equipment will be required.

Due to the planned increase in the share of renewable energy sources by 2031, according to the forecast balances of the Ministry of Energy of the RK for 2025–2031, there is a need to build additional maneuverable capacities to ensure regulation of the energy system. These forecasts provide for the construction of new generation facilities, including the expansion of EGRES-2 and the creation of a new station GRES-3, which is aimed at reducing the deficit of electricity and flexible capacities.

With regard to the stated facts, the Group's management is considering strategic options for using the acquired Chinese equipment. Among the possible scenarios are: a) continuing the construction of a maneuverable power unit at EGRES-2 using this equipment, and b) transferring the equipment for the implementation of the project to build a new station GRES-3.

"Construction of GRES-3 based on clean coal technology" project

On April 18, 2024, the Minutes of the meeting of the Ministry of Energy on the development of the electric power industry recommended amending the technical specifications for the preliminary feasibility study of the construction project of GRES-3, providing for an increase in the installed capacity of the station to four power units, as well as considering the possibility of using equipment purchased in China, which was originally intended for power unit No. 3 of EGRES-2.

On July 8, 2024, amendments were made to the Law of the RK "On Electric Power Industry" within the framework of the draft law "On Thermal Power Industry" in terms of improving the current tender mechanism for the construction of newly commissioned generating units (in terms of return on investment) for the project "Construction of GRES-3 based on clean coal technology".

According to this law, if in the approved forecast balance of electric energy and capacity for the upcoming seven-year period the forecast deficit of electric capacity in the Unified Energy System of the RK or in any of its zones during the first five years of the forecast exceeds 100 MW, the authorized body is obliged to hold a tender for the construction of new generating units producing electric energy using solid fuel.

Currently, the Group is developing a preliminary feasibility study for the project "Construction of GRES-3 based on clean coal technology".

In accordance with the current plans of the Government of the RK, the Group's management considers the most likely scenario to be the implementation of the GRES-3 construction project and the transfer of the technological equipment purchased in China to the new organization at its book value. In this regard, an additional impairment in the amount of 18,524 million tenge as of December 31, 2024 (as of December 31, 2023: 13,216 million tenge) was accrued for the amount of other costs incurred, including costs of construction and installation works, foundation preparation and other costs related to the project for the construction of power unit No. 3 of EGRES-2, recorded as part of construction in progress (Note 29).

Telecommunication assets

For impairment testing, goodwill related to Communication segment acquired through business combinations was allocated to three unites (further "CGUs"), Mobile Telecom Service LLP, Kcell JSC and IP TV (Notes 7, 9).

Goodwill relates to the assembled workforce and synergy from integration of the acquired subsidiaries into the Group. The carrying amount of goodwill allocated to each of CGUs was as follows:

In millions of tenge	2024	2023
Kcell JSC	53,490	53,490
IP TV	2,706	2,706
Mobile Telecom-Service LLP (Note 7)	96,206	96,206
	152,402	152,402

The Group performed its annual impairment test in December 2024 and 2023.

For the purposes of impairment testing, the Group assessed the recoverable amount of each cash-generating unit to which goodwill was allocated or for which impairment indicators were identified.

In 2024 the recoverable amount of all cash-generating units was determined as value in use using a discounted cash flow model. This valuation method uses cash flow forecasts based on actual operating results and business plans approved by management, as well as appropriate discount rates that reflect the time value of money and the risks associated with the underlying cash-generating units. For periods not covered by management's business plans, terminal value is used. Terminal value is calculated from cash flow forecasts by extrapolating the results of the relevant business plans using a zero real growth rate.

Assessment of future cash flows require assumptions regarding uncertain factors, including management's expectations regarding earnings before interest, taxes, depreciation and amortization (EBITDA) margins, the timing and volume of capital expenditures, terminal growth rates and appropriate discount rates to reflect associated risks. Accordingly, the EBITDA margin and capital expenditures used to calculate value in use are primarily derived from internal sources, based on past experience and expanded to reflect management's expectations. For impairment testing purposes, EBITDA is calculated as earnings before interest, taxes, depreciation and amortization, determined on the basis of IFRS consolidated financial statements.

The table below presents the assumptions based on which the value in use of the relevant CGUs was determined:

	2024	2023
Kcell JSC		
EBITDA margin	36.78% – 48.38%	37.3% – 45.7%
Capital costs as a percentage of revenue	18.40%	18.00%
Growth rates beyond the forecast period	4.10%	3.20%
Discount rate	15.24%	13.88%
IP TV		
EBITDA margin	5% – 10.8%	2% – 7%
Capital costs as a percentage of revenue	0.00%	1.00%
Growth rates beyond the forecast period	0.00%	5.00%
Discount rate	15.03%	15.41%
Kazakhtelecom JSC		
EBITDA margin	25.07%	23.5% – 24.3%
Capital costs as a percentage of revenue	13.00%	10.90%
Growth rates beyond the forecast period	4.10%	5.00%
Discount rate	16.24%	15.41%
Mobile Telecom-Service LLP		
EBITDA margin	47.4% – 53.2%	46.0% – 47.9%
Capital costs as a percentage of revenue	21.1%	26.3%
Growth rates beyond the forecast period	2.5%	4.31%
Discount rate	18.00%	15.42%

Sensitivity to changes in assumptions – IP TV, Kcell JSC and Mobile Telecom Service LLP

Reasonably possible changes in the EBITDA margin, growth rates beyond the forecast period and discount rates do not lead to additional impairment of IP TV, Kcell JSC and Mobile Telecom Service LLP.

Sensitivity to changes in assumptions – Kazakhtelecom JSC (hereinafter – “KTC”)

The calculation of value-in-use for KTC CGU is most sensitive to such assumptions as EBITDA margin included in the financial plan, growth rates beyond the forecast period and discount rate.

Decrease in EBITDA margin by more than 0.5% from 25.07% to 24.57% throughout the forecast period would lead to an impairment loss of KTC CGU in the amount of 10,159 million tenge.

Decrease in growth rates of 0.2% from 4.1% to 3.9% would result in impairment loss of KTC CGU in the amount of 1,548 million tenge.

An increase in discount rate by 0.5% from 16.24% to 16.74% would do not lead to additional impairment of KTC CGU.

Gas turbine power plant and water treatment assets (Karabatan Utility Solutions LLP)

In 2024, new tariffs for regulated services for water supply through distribution networks and for wastewater disposal and treatment for 2025–2029 were approved, with entry into force on January 1, 2025.

In December 2024, amendments were made to the Rules for the organization and functioning of the wholesale electricity market, according to which the priority purchase of electricity from combined heat and power plants providing centralized heat supply to cities and regions will be made within the volume of the technological minimum, which should have a positive effect on the volume of electricity purchased from Karabatan Utility Solutions LLP (hereinafter referred to as "KUS").

Also, the forecast for an increase in the sale of electricity on the balancing market was based on the sale of electricity through the balance provider for large wholesale consumers in Western Kazakhstan.

In this regard, in the Business Plan for 2025–2029, KUS forecasts an increase in the share of sales on the balancing market, as well as a change in the cost of electricity sales. Thus, at the end of 2024, the cost of sales on the balancing market was 17.01 tenge/kWh. On average, when planning the cost of electricity sales for 2025–2029, KUS adopted an average cost of sales of 13.0 tenge/kWh.

In 2024, based on the results of the impairment test, the Group reversed the impairment of KUS fixed assets in the amount of 9,877 million tenge (Note 29).

The main source of information is the approved Business Plan of the company for 2025-2029, which contains forecasts for production and sales volumes, revenues, expenses and capital expenditures. The Group calculates the recoverable amount using a discounted cash flow model. The discount rate of 9.57% is applied.

Various assumptions, such as forecasts for electricity and water sales prices, inflation rates, take into account current prices, foreign exchange rates and other macroeconomic factors, and historical trends and fluctuations. The expected cash flows were limited to the expiration date of the property, plant and equipment in 2052. Costs were forecast based on the budget and business plan of KUS, as well as current estimates of KUS management on potential changes in operating and capital expenditures. Cash flows were forecast by applying the assumed inflation rate.

Assets retirement obligations

Under the terms of certain subsoil use contracts, legislation and regulations, including the Environmental Code of the Republic of Kazakhstan, the Group has legal obligations to remediate damage caused to

the environment from its operations and to dismantle and remove tangible assets and restore the land at each production site. Specifically, the Group's obligation relates to the ongoing closure of all non-producing wells and final closure activities such as removal of pipes, buildings, decommissioning of mining assets and landfills, dismantling of equipment and recultivation of the contract territories.

The provision for asset retirement obligations is estimated based upon the Group's interpretation of current environmental legislation in the Republic of Kazakhstan and the Group's related programme for liquidation of subsurface use consequences on the contracted territory and other operations supported by the feasibility study and engineering research in accordance with the applicable restoration and retirement standards and techniques.

Provisions for asset retirement obligations are subject to potential changes in environmental regulatory requirements and the interpretation of the legislation. Provisions for mining assets and landfills retirement obligations are recognised when there is a certainty of incurring of such liabilities and when it is possible to measure the amounts reliably.

Where neither subsoil use contracts nor legislation include an unambiguous obligation to undertake or finance such final abandonment and closure costs at the end of the subsoil use contract term, no liability has been recognized. There is some uncertainty and significant judgment involved in making such a determination. Management's assessment of the presence or absence of such obligations could change with shifts in policies and practices of the Government or in the local industry practice.

At each reporting date the Group reviews site restoration provisions, and adjusts them to reflect the current best estimate in accordance with IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities.

The Group calculates asset retirement obligations separately for each contract. The amount of the obligation is the present value of the estimated expenditures expected to be required to settle the obligation adjusted for expected inflation and discounted using average long-term risk-free interest rates for emerging market sovereign debt adjusted for risks specific to the Kazakhstan market.

Oil and gas production facilities

Estimating the future closure costs involves significant estimates and judgments by management. Most of these obligations are many years in the future and, in addition to ambiguities in the legal requirements, the Group's estimate can be affected by changes in asset removal technologies, costs and industry practice. The Group estimates future well abandonment cost using current year prices and the average long-term inflation rate.

The long-term inflation and discount rates used to determine the obligation in the consolidated statement of financial position across the Group entities at December 31, 2024 were in the range from 2.24% to 8.6% and from 6.85% to 12.15%, respectively (December 31, 2023: from 2.03% to 14.54% and from 6.20% to 11.37%, respectively). As at December 31, 2024 the carrying amounts of the Group's asset retirement obligations relating to decommissioning of oil and gas facilities were 184,354 million tenge (December 31, 2023: 163,517 million tenge) (Note 21).

Major oil and gas pipelines

According to the Law of the RK On Major Pipelines which was made effective on July 4, 2012 the Group has legal obligation to decommission its major oil pipelines at the end of their operating life and to restore the land to its original condition. Asset retirement obligation is calculated based on estimate of the work to decommission and rehabilitate. As at December 31, 2024, the carrying values of the Group's asset

retirement obligations relating to decommissioning of pipelines, compressor stations and land were 119,822 million tenge (December 31, 2023: 123,277 million tenge) (Note 21).

Assets related to uranium production

Provision is made based upon the net present values of estimated site restoration and retirement costs as soon as the obligation arises from past mining activities. The scope of work stipulated by the legislation and included in the calculations of the asset retirement obligations contains the dismantling of facilities and infrastructure (pumping, injection and observation wells, technological units for acidification and distribution of solutions, pipelines, access roads, technological sites, landfills, buildings and other facilities) and subsequent restoration of land.

The calculation of the provision for production assets retirement as at December 31, 2024 was performed by the Group's internal specialists and reviewed by an independent consultant.

Principal assumptions used in the estimations include:

- The discount rate that reflects the current market estimates of the time value of money is based on a risk-free rate determined by reference to the interest rate on government bonds with maturity matching the period of the Group's each subsoil use contract, range of 12.33% - 12.65% (2023: average 11.7% - 13.3%), risks related to the liability are reflected in the best estimate of nominal costs;
- Long-term inflation rate applied to the nominal costs calculated at current prices of 4.06% - 7.51% in 2024 (2023: average 4.01% - 6.39%);
- Discounting period in accordance with the estimated life of mines and reserves depletion period;
- Low radioactive waste management program assumes removal and disposal at special landfills owned by the Group.

In millions of tenge	Decrease) / Increase of assumptions	(Decrease) / Increase of provisions	
		2024	2023
Inflation rate	-1%	(5,258)	(4,640)
	+1%	4,544	3,993
Discount rate	-1%	4,935	4,348
	+1%	(4,233)	(3,714)

A sensitivity analysis of the key assumptions as of December 31, 2024 and 2023 is presented below:

At December 31, 2024, site restoration provision for mining assets was 44,662 million tenge (2023: 38,100 million tenge) (Note 21).

Assets retirement obligations related to the power generating facilities

The following judgments were applied by the Group in determining the amount of the obligation to eliminate the consequences of the operation of the facilities as at December 31, 2024 and December 31, 2023:

- Calculation of obligations to eliminate the consequences of the operation of the facilities was performed by the Group based on the results of assessments carried out by independent and internal specialists. The scope of work provided for by law and included in the calculation included the dismantling and disposal of the main equipment and mechanisms directly involved in the production

of electrical and thermal energy (steam boilers, turbines, generators, fuel supply, etc.), engineering systems and structures intended for removal of combustion products, as well as equipment of fuel oil facilities and chemical reagents warehouse, which have a negative impact on the environment and the safety of life and/or health of people;

- There are assets (administrative buildings and other structures) on the balance sheet of facility operators in the Group, which in the future are very likely to be converted, and also have a minimal adverse impact on the environment, for which there is no need to recognize obligations to eliminate the consequences of their operation;
- For thermal power plants, referred to the I category, the amount of reserves is determined based on the expected costs that will be incurred by the facilities during the liquidation of the main equipment and mechanisms directly involved in the production of electrical and thermal energy (steam boilers, turbines, generators, fuel supply, etc.), engineering systems and structures designed to remove combustion products, as well as equipment for fuel oil facilities and a chemical reagents warehouse, which really have an adverse impact on the environment;
- The Group's management applied the judgment that the deadline for the liquidation of category I facilities of EGRES-1 and EGRES-2, which have a negative impact on the environment, is in 2055 and 2053, respectively, based on the useful lives of the assets. These useful lives are justified by the fact that the residual fleet life of the main and auxiliary equipment and engineering structures of the main equipment will be extended through major repairs or reconstruction until the end of filling the existing ash dumps. Deadlines for closing ash dumps are applied in accordance with the approved working projects for closing ash dumps per the "Rules for the formation of liquidation funds for waste disposal sites" approved by Decree of the Government of the RK dated July 10, 2007 No. 591. Coal reserves are sufficient to continue the work on these stations. These periods were determined based on the need to ensure the country's energy security in response to a predicted shortage of electricity in the RK;
- For AIES, the deadlines for the liquidation of CHPP-2 and CHPP-3 facilities were applied taking into account the timing of implementation, commissioning and technical parameters of the projects "Modernization of Almaty CHPP-2 with minimization of environmental impact" and "Reconstruction of Almaty CHPP-3";
- Hydroelectric power plants of the Group belong to category II facilities. the Shardara hydroelectric power station, as a strategic complex structure, which is an integral part of the hydrotechnical complex of the Shardara hydroelectric complex on the Syrdarya River, which has a direct purpose for flood control and irrigation, due to the specifics of its activity, does not eliminate embankments/dams and adjacent hydraulic structures; at the same time, in the opinion of the station's management, the liquidation work of the company may be limited to the dismantling of the equipment of hydroelectric units and some surface utility facilities, and the provision to cover them is not significant at the reporting date;
- For the Moinak hydroelectric power plant, in accordance with the legislation, the Group's management applied the judgment that the useful lives of the main hydraulic structures, as structures of I and II classes, in the conditions of timely overhauls amount to 60 years. After the expiration of useful lives of the main building of the hydroelectric power plant, the diversion tunnel and the halfway, in accordance with the norms of the "Methodological recommendations on the procedure for extending the life of the safe operation of technical devices, equipment and structures at hazardous production facilities," further use of these structures as a hydrological post and mudflow holders during the flood period is expected on the Sharyn River. At the same time, in the opinion of the plant's management, the liquidation work of the Company may be limited to the dismantling of the equipment of hydroelectric

units and some surface utility facilities, and the provision for their coverage is not material at the reporting date;

- AZhK facilities in III and IV categories. Due to the fact that AZhK's production facilities have an insignificant minimum negative impact on the environment, the Group has not accrued obligations for liquidation of the consequences of activities in these consolidated financial statements, as there is currently no reasonable calculation method for these types of assets, and the Group has received confirmation from government authorities on the absence of obligations to eliminate the consequences for the environment;
- Wind and solar power plants recognize provisions for dismantling and removal of generating and technological equipment, further, the liquidation terms are determined by the technical specifications of equipment and structures.

Key assumptions in making such estimates include estimates of the discount rate, amount and timing of future cash flows. The discount rate is based on the risk-free rate defined as the yield on government bonds with maturities that coincide with the liquidation of the facilities.

As of December 31, 2024, provision on obligations for liquidation of the consequences of operating the facilities were recalculated taking into account the updating of the costs for the liquidation of facilities based on the revision of inflation rates and the discount rate as of the reporting date.

A sensitivity analysis of the key assumptions as of December 31, 2024:

In millions of tenge	(Decrease)/increase of key assumptions	(Decrease)/increase in obligation to eliminate the consequences of operation of facilities
Inflations rates	–1%	(4,405)
	+1%	5,609
Discount rates	–1%	5,026
	+1%	(3,855)
Liquidation period	–10%	3,811
	+10%	(3,129)

Since the actual costs of eliminating the consequences of operating the facilities may differ from their estimates due to changes in relevant legislation, interpretation of regulations, technologies, prices and other conditions, and these costs will be incurred in the distant future, the carrying amount of the provisions is subject to regular review and adjustment to take into account such changes.

As of December 31, 2024 provision for assets retirement obligations related to the power generating facilities amounted to 29,477 million tenge (as of December 31, 2023: 24,883 million tenge) (Note 21).

Provision for taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of the Group's international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to taxable profits and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates.

The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

In assessing tax risks, management considers to be probable obligations the known areas of non-compliance with tax legislation, which the Group would not appeal or does not believe it could successfully appeal, if additional taxes are charged. Such determinations inherently involve significant judgment and are subject to change as a result of changes in tax laws and regulations, amendments to the taxation terms of the Group's subsurface use contracts, the determination of expected outcomes from pending tax proceedings and current outcome of ongoing compliance audits by tax authorities. The provision for taxes disclosed in Note 21 relates to the Group's other taxes. Provisions and contingent liabilities related to income tax are included or disclosed as income tax liabilities or contingencies (Note 33). Further uncertainties related to taxation are disclosed in Note 37.

Provision for construction of social objects

The Government assigns various sponsorship and financing obligations to the Group. Management of the Group believes that such Government's assignments represent constructive obligations of the Group and require recognition on the basis of respective resolution of the Government of the RK. Furthermore, as the Government is the ultimate controlling party of the Group, the expenditures on these assignments are recognized as "other distributions to the Shareholder" directly in the equity.

Useful lives of items of property, plant and equipment

The Group assesses remaining useful lives of items of property, plant and equipment at least at each financial year-end. If expectations differ from previous estimates, the changes are accounted for prospectively as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

VAT recoverability

The Group conducts an assessment of the recoverability of VAT and, if required, makes provisions for doubtful VAT recoverable at each reporting date. The provision for doubtful VAT recoverable is determined based on the management's anticipated VATable turnovers and the likelihood of cash refunds for VAT. As at December 31, 2024, an amount of 602,083 million tenge related to VAT recoverable has been recognized as a current asset (as at December 31, 2023: 386,977 million tenge). The Group anticipates that this amount will either be refunded by the tax authorities or utilized to offset future VAT liabilities in 2025.

Deferred tax assets

Deferred tax assets are recognized for all allowances and unused tax losses to the extent that it is probable that taxable temporary differences and business nature of such expenses will be proved. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of recognized deferred tax assets as at December 31, 2024 was equal to 121,591 million tenge (December 31, 2023: 108,379 million tenge). Further details are contained in Note 33.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the fair value of financial instruments reported in the consolidated financial statements. Further details are disclosed in Note 36.

Employee benefit liability

The Group uses actuarial valuation method for measurement of the present value of defined employee benefit liability and related current service cost. This involves use of demographic assumptions about the future characteristics of current and former employees who are eligible for benefits (mortality, both during and after employment, rates of employee turnover, etc.) as well as financial assumptions (discount rate, future annual financial assistance, future annual minimum salary and future average railway ticket price).

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Estimation of expected credit losses

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's credit grading model, which assigns PDs to the individual grades;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulae and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs, such as oil price with one year lag, and the effect on PDs, EADs and LGDs.

Accounting treatment of financing arrangements with Industrial Development Fund JSC

The Group, represented by Passenger Transportation JSC and Tulpar Wagon Construction Plant LLP (disposed in 2023), entered into a number of trilateral purchase-sale and finance lease agreements with Industrial Development Fund JSC, which is under the common control of the Shareholder, to renew its passenger carriage fleet. Under the agreements, Industrial Development Fund JSC finances Tulpar Wagon Construction Plant LLP's construction of passenger carriages on a 100% prepayment basis for ownership with a further finance lease to Passenger Transportation JSC.

Management of the Group concluded that the transaction between Tulpar Wagon Construction Plant LLP and Industrial Development Fund JSC does not meet the requirements of IFRS 15 Revenue from Contracts with Customers to account for the asset sale at the Group level, as control over passenger carriages is not transferred to Industrial Development Fund JSC, but remains with the Group.

Industrial Development Fund JSC finances the construction of the carriages, but is limited in its ability to direct the subsequent use of and obtain all of the remaining benefits from the asset. Accordingly, the Group recognises the obligation to Industrial Development Fund JSC, before the loss of control over the Railway Passenger Coach Construction Plant LLP, as a financial liability (borrowing) according to IFRS 9 Financial Instruments and recognises passenger carriages as right-of-use assets in accordance with IFRS 16.103 Leases.

Swap transactions

The Group sells part of its uranium products under swap transactions with separate agreements with the same counterparty, being for sales and purchase of the same volume of uranium for the same price at different delivery points or different timeframes. Effectively, this results in the exchange of own uranium (produced or purchased from the Group's entities) with purchased uranium.

Normally, under a swap transaction, the Group delivers physical uranium to one destination point, and purchases the same volume of uranium at a third-party converter for sale to end customers. Swap transactions are entered into primarily to reduce transportation costs for uranium delivery to end customers.

Despite the fact that swap agreements are not formally related to each other, management concluded that these transactions are in substance linked and would not have occurred on an isolated basis, driven by the existing market demand and supply forces. In management's view, supply of the same volume of homogeneous product (uranium) for the same price represents an exchange of products, which should be presented on a net basis in the consolidated financial statements, reflecting the economic substance of the transaction. Interpretation of terms and approach to the accounting for swap transactions requires judgement.

In 2024, the Group did not recognise sales revenue from swap transactions of 169,556 million tenge (2023: 139,322 million tenge) and related cost of sales of 158,551 million tenge (2023: 149,209 million tenge).

Purchase and sales agreements assume cash transfers on a regular payment terms, similar to contracts with customers. The Group presents cash receipts as "receipts from customers" and cash payments as "payments to suppliers".

Enrichment of natural uranium

The Group purchases uranium enrichment services from Uranium Enrichment Center JSC (UEC) in Russia. The transaction is structured as two separate agreements. Group sells natural uranium and purchases enriched uranium from UEC. Despite agreements with UEC are not formally related, the management concluded that these transactions are in substance linked and would not have occurred on an isolated basis. Effectively, this results in the sales of uranium with an obligation to repurchase it in the form of enriched uranium, in accordance with IFRS 15 requirements no revenue from sales of uranium to UEC should be recognised, reflecting the economic substance of the transaction. Interpretation of terms and approach to the accounting for transactions with UEC requires judgement.

The cost of enrichment services included in cost of sales in the amount of 62,612 million tenge (2023: 40,643 million tenge) in production services rendered line item (Note 26).

Purchase and sales agreements with UEC assumed cash transfers, starting from 2023 the Group changed the contract terms to settle cash transfers on a net basis.

Control over JV Budenovskoye LLP

The Group obtained control over JV Budenovskoe LLP as a result of changes to the Charter and Production sharing agreement effective from January 1, 2024. The changes do not change the relative ownership shares of the participants, but they change their powers in relation to JV Budenovskoe LLP. The Group’s ownership share did not change and represents 51%.

Sales activities of JV Budenovskoye LLP are governed by the Production sharing agreement. The Group has unilateral decision-making power in determining annual production volumes within predetermined range by simple majority vote. The predetermined range is a 20% deviation from the approved production plan in accordance with the subsoil use agreement and legislation of the RK. The specific situation when unanimous consent would be required from both participants to change production volume within 10%-20% limit depending on profitability is remote and thus is viewed rather as a protective right.

Given that all production volumes are committed to be purchased by the Group and the second participant (or a parent company of the second participant) based upon market prices, production volumes and costs have the most significant impact on financial results and therefore are considered to be relevant activities for the purpose of the control assessment. Based on these facts, the Group management has concluded that the Group gained control over JV Budenovskoye LLP (Note 5).

Fair value measurement for business combination

Fair value measurements applied in accounting for business combination had a significant impact on the Group's profit for the period ended December 31, 2024. The gain from from remeasurement of the previously existing interest in joint venture comprised 295,719 million tenge (Note 5).

The principal assumptions used by external appraiser in calculation of fair value:

- Average prices of annual uranium prices are based upon the price forecasts prepared by independent sources, and reduced further for expected discounts included in sales contracts;
- Forecasted periods and volumes of uranium produced and sold are based on the working program of subsoil use contract further amended by the delay in production schedule;
- Operating and capital expenditures for 2024-2028 are consistent with the approved five year budget of the Group and represent expenditures for the preparation of mine development assets;
- Operating and capital expenditures after 2028 will increase at the average long-term inflation rate of 4.1% per annum;
- Discount rate of 23.12% per annum; and
- Forecast long-term exchange rate at an average of 474 tenge per 1 US Dollar.

Presented below is the sensitivity analysis of the main parameters that could impact the fair value of the mineral right estimated at 709,797 million tenge as of the date of assessment:

In millions of tenge	Changes of assumptions	Increase/(decrease) of fair value
Average price of uranium (spot price)	–10/+10%	197,721/(197,721)
Sales volume	–10/+10%	141,049/(141,049)
Capital expenditures	–10/+10%	(33,486)/33,486
Discount rate	–2p.p/+2 p.p.	(104,590)/104,590
Exchange rate, US Dollar to tenge	–10/+10%	197,721/(197,721)

Changes in legislation on the electricity market in the RK from July 1, 2023

In accordance with the Rules for the organization and functioning of the wholesale electricity market with amendments and additions, approved by order of the Minister of Energy of the RK dated June 30, 2023 No. 249, from July 1, 2023, a transition was made to a new model of the electricity sales market with the introduction of a unified purchaser of electrical energy, RFC. In accordance with the new model, all energy-producing organizations are obliged to sell electrical energy to a single purchaser of electrical energy. The RFC then sells electrical energy in accordance with sales agreements by a single purchaser of electrical energy to energy transmission and energy supply organizations, consumers of electrical energy and digital miners on the wholesale electrical energy market.

The Group conducted an analysis to assess the impact of changes on the revenue recognition process in accordance with IFRS 15 Revenue from Contracts with Customers. As a result, the Group determined that for Group’s consolidated financial statements, the electricity sales contracts of power plants and purchase contracts of distribution and trade entities of the Group are considered as repurchase agreements in accordance with IFRS 15. Accordingly, the Group eliminated the cost of purchasing electricity and revenue from sales of electricity by power plants at the consolidation level of the Group.

To calculate the amount of elimination, the Group used the actual electricity volume purchased by Group’s subsidiaries from the RFC and weighted average selling price of electricity in accordance with the approved cap tariffs of the Group’s power plants.

The elimination amount for 2024 amounted to 190,864 million tenge (2023: 84,760 million tenge). This adjustment is reflected for the purpose of presenting the revenue and costs of sales of the Group from a single economic unit perspective and does not affect the financial results of the Group.

Apart from the above, the new model of power market, which came into force on July 1, 2023 did not have a significant impact on the revenue recognition.

Uranium loans are part of the Group's normal inventory management policy, required to mitigate logistical risks that could affect the timely delivery of Kazakhstani uranium to Western conversion enterprises due to heightened geopolitical instability.

The Group enters into inventory loan agreements, according to which one party (the lender) undertakes to provide the other party (the borrower) with products, and the borrower obliges to return to the lender an identical amount of uranium products. The Group obtains inventory loans to facilitate the performance of its uranium supply obligations. The Group classifies inventory loans received as a non-financial liability.

Upon receipt of the inventory loan, the Group accounts for the inventory at the contracted cost. Liability arising from inventory loan are recognised as part of other liabilities at the fair value of the uranium products at the reporting date. Subsequent revaluation of the inventory loan is carried out through profit or loss as part of other operating income/expenses in accordance with changes in the fair value of uranium products.

As at December 31, 2024 the Group has fully returned the inventory loan (as at December 31, 2023: 91,151 million tenge) (Note 24).

Accrued payable for gas purchase agreements

As at December 31, 2024 the Group recognized a purchase of gas of 266,342 million tenge and a corresponding trade payables was recognized (Note 24). The gas purchase was recognized when control passed to the Group and was measured at the amount the Group expected to pay based on its best estimate, as the parties were in the process of agreeing prices and concluding the contracts. On February 14, 2025, the gas purchase agreement was signed for the period from 2023 to 2033. No adjustments to the accounts payable is required.

5. BUSINESS COMBINATION

Acquisitions in 2024

JV Budenovskoe LLP

As a result of changes to the Charter of JV Budenovskoe LLP and Production sharing agreement effective from January 1, 2024 the Group obtained control over JV Budenovskoe LLP. Starting from January 1, 2024 the decision over relevant activities are taken by simple majority of the voting rights. The Group's ownership share did not change and represents 51%. The Group did not make any cash payments to gain control. JV Budenovskoe LLP is strategically important asset with estimated reserves of 114 thousand tones of uranium.

The acquisition method of accounting is used to account for the acquisition. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interests.

The difference between the fair value of investment in the joint venture over its carrying value comprises a gain from remeasuring to fair value the equity interest in the JV Budenovskoe LLP held by the Group before the business combination, as presented in the table below, which was recognised immediately in profit or loss for the period less the deferred tax effect:

In millions of tenge	
Fair value of the previously existing interest in joint venture at the date of acquisition	302,888
Less: carrying value of the investment in joint venture at the date of acquisition	(7,169)
Gain from remeasurement of the previously existing interest in joint venture	295,719

At the acquisition date the fair value of the total consideration transferred and its components relating to JV Budenovskoe LLP are as follows:

In millions of tenge	
Cash consideration paid	–
Effective settlement of the trade receivable of the Group	(5,390)
Fair value of the Group's previously held interest in the joint ventures (Note 10)	302,888
Total purchase consideration and value of previously held interest in the acquiree	297,498

The assessment of the fair value of the identifiable assets and liabilities was performed by an independent professional appraiser. Based on the valuation, the assets' value increased by 707,113 million tenge to fair value, mainly due to valuation of the subsoil use (mineral) right, resulting in an increase of carrying value from 11,693 million tenge to 709,797 million tenge (Note 9). The value of finished goods inventory increased from 1,653 million tenge to 8,432 million tenge. Deferred tax of 141,423 million tenge was recorded on the excess of the fair value over the carrying value.

The fair values of the identifiable assets and liabilities as at the date of acquisition are as follows:

In millions of tenge	At the date of acquisition
Assets	
Non-current assets	
Property, plant and equipment	25,748
Intangible assets	709,810
Exploration and evaluation assets	1,723
Other non-current financial assets	249
Other non-current assets	6,112
Current assets	
Inventories	8,432
Income tax prepaid	23
Trade accounts receivable	1,580
Other current assets	64
Cash and cash equivalents	11,885
Total assets	765,626
Non-current liabilities	
Borrowings	22,633
Provisions	106
Employee benefit liabilities	6
Deferred tax liabilities	142,437
Current liabilities	
Borrowings	6,485
Provisions	333
Income taxes payable	838
Trade and other payables	4,019
Employee benefit liabilities	2
Other current liabilities	259
Total liabilities	177,118
Fair value of identifiable net assets acquired	588,508
Less: non-controlling interest measured at proportionate share of net assets measured at fair value	(291,010)
Total purchase consideration and fair value of previously held interest in the acquiree	297,498
Less: non-cash consideration	(297,498)
Add: Cash and cash equivalents of subsidiary acquired	11,885
Inflow of cash and cash equivalents on acquisition	11,885

The Group recognized non-controlling interest as the non-controlling interest’s proportionate share of net assets of JV Budenovskoe LLP measured at fair value.

The acquisition date fair value of the trade accounts receivable amounts to 1,580 million tenge, that is the gross amount of trade accounts receivable. It is expected that the full contractual amounts can be collected.

The acquired subsidiary contributed revenue of 62,223 million tenge and net profit of 28,279 million tenge to the Group for the period from January 1, 2024 to December 31, 2024.

The business of JV Budenovskoe LLP is represented in the Group’s Mining segment in these consolidated financial statements.

Acquisitions in 2023

Acquisition of Dunga Operating GmbH

On October 9, 2023 the subsidiary of the Group, National Company “KazMunayGas” JSC (“NC KMG”), signed a purchase agreement with TOTALENERGIES EP DENMARK A/S for the acquisition of a 100% of the shares of Total E&P Dunga GmbH (renamed to Dunga Operating GmbH in December 2023), engaged in the exploration and production of crude oil and natural gas at the Dunga field. The base consideration comprises of 358.5 million US dollars (equivalent to 165,913 million tenge). The agreement contains certain closing conditions precedent, which were met on October 30, 2023 and on November 20, 2023, following the re-registration of shares to NC KMG, the transaction was completed. The Group has obtained control over Dunga Operating GmbH, increasing the Group’s share in the hydrocarbon resource base and production of the crude oil and natural gas on the market of the RK.

As at the date of issue consolidated financial statements for the year ended December 31, 2023, the initial accounting for the business combination was not completed, the Group assessed the fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at provisional amounts being the fair value of the consideration given of 358.5 million US dollars (equivalent to 165,913 million tenge) in accordance with IFRS 3 Business Combinations.

In 2024 the Group completed the valuation of the fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at the date of acquisition to complete the initial accounting for the business combination.

The fair value of the net identifiable assets and liabilities of Dunga Operating GmbH at the date of acquisition was 156,099 million tenge, which is lower than the provisional value by 9,814 million tenge. These leads to decrease in depreciation charge of property, plant and equipment and corporate income tax of 1,661 and 556 million tenge, respectively, from the acquisition date to December 31, 2023.

The 2023 comparative information was restated to reflect these adjustments.

The fair values of the identifiable assets and liabilities of Dunga Operating GmbH as at the date of acquisition are as presented below:

In millions of tenge	At the date of acquisition
Assets	
Non-current assets	
Property, plant and equipment	181,462
Intangible assets	5,481
Amounts due from credit institutions	5,413
Other non-current assets	3,132
Current assets	
Inventories	6,387
Income tax prepaid	2,284
Trade accounts receivable	5,870
Other current financial assets	55
Other current assets	5,601
Cash and cash equivalents	8,288
Total assets	223,973
Non-current liabilities	
Provisions	4,346
Deferred tax liabilities	48,752
Other non-current financial liabilities	447
Current liabilities	
Trade and other payables	8,802
Other current financial liabilities	5,527
Total liabilities	67,874
Total identifiable net assets at fair values	156,099
Purchase consideration transferred	165,913
Goodwill arising on acquisition	9,814

The business of Dunga Operating GmbH is represented in the Group's Oil-and-gas and petrochemical segment in these consolidated financial statements.

The acquisition date fair value of the trade accounts receivable amounts to 5,870 million tenge, that is the gross amount of trade accounts receivable. It is expected that the full contractual amounts can be collected.

The deferred income tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

The goodwill of 9,814 million tenge arising on acquisition represents the Group's future benefits from the exploration and production of crude oil and natural gas in the Dunga field (Note 9). None of the goodwill recognised is expected to be deductible for income tax purposes.

There was no recognized contingent liability at the date of acquisition.

From the date of acquisition, Dunga Operating GmbH contributed 2,872 million tenge of revenue and 1,172 million tenge to profit before tax from continuing operations of the Group in 2023. If the combination had taken place at the beginning of the 2023, contribution of Dunga Operating GmbH to the Group's revenue from continuing operations would have been 34,032 million tenge and to the Group's profit before tax from continuing operations would have been 21,468 million tenge.

6. ACQUISITION UNDER COMMON CONTROL

GPC Investment LLP (hereinafter - “GPCI”)

On January 24, 2024, the Fund issued 100 shares at par value of 387,371,430 tenge for the total amount of 38,737 million tenge, which were paid off by the Shareholder by means of 100% of interest in authorized capital of GPCI (Note 18.1). Further, the Fund transferred 100% of interest in GPCI as a contribution to the authorized capital of Fund's subsidiary National Company “QazaqGaz” JSC (hereinafter - “QazaqGaz”).

On February 14, 2024, as part of the state visit of the President of the RK to the State of Qatar (hereinafter “SQ”), Agreements on the main terms of cooperation were signed, which includes a number of measures and initiatives aimed at the joint implementation of different investment projects. On March 20, 2024, an Agreement was signed to establish a long-term strategic partnership for the implementation of joint projects between the Governments of the RK and the SQ. As part of the agreement on strategic investment projects, it is planned to sell the stake in the project company GPCI with retention of Group's share of 25%, and therefore, GPCI was reclassified into disposal group in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The component was classified as discontinued operations as it was acquired exclusively with a view to resale. The period to complete the sale was extended beyond one year, and the delay is caused by events and circumstances beyond the Group's control. However, the Group remain committed to the plan to sell its 75% stake in GPCI. The expected date of completion is by June 30, 2025.

The acquisition of GPCI was accounted for as the acquisition of a subsidiary from parties under common control. The acquisition was accounted for using the carrying amount method of assets and liabilities according to the financial statements of GPCI, due to the absence of consolidated financial statements of the predecessor entity. Due to the acquisition of GPCI as a subsidiary for subsequent resale, the consolidated statement of financial position of the Group as at December 31, 2023 and the related notes to the consolidated financial statements for the year ended December 31, 2023 have not been restated. Management believes that this presentation of the financial information most fairly represents the economic substance of the transaction. The difference between the consideration transferred and the net assets of GPCI was recognized in equity.

The following is the value of the total consideration transferred and information about the carrying amounts of GPCI's assets and liabilities at the date of acquisition:

In millions of tenge	February 16, 2024
GPCI net assets acquired	91,478
Fair value of shares issued (Note 18.1)	(38,737)
Settlement of pre-existing relationship presented by the loans issued to GPCI*	(48,935)
Total consideration transferred by the Group	(87,672)
Difference between the consideration transferred by the Group and the carrying amount of net assets recognized in equity	3,806

* Includes expected credit losses.

The assets and liabilities of GPCI as at December 31, 2024 are presented as follows:

In millions of tenge	December 31, 2024
Assets	
Property, plant and equipment	184,791
Intangible assets	6
Other non-current assets	28,939
Deferred tax assets	2,536
Inventories	15
VAT receivable	3,073
Income tax prepaid	147
Other current assets	127
Cash and cash equivalents	19,499
Assets classified as held for sale	239,133
Liabilities	
Borrowings	137,208
Other non-current liabilities	1,279
Income taxes payable	180
Trade and other payables	33,814
Other current liabilities	236
Liabilities associated with assets classified as held for sale	172,717
Net assets held for sale	66,416

Net loss after tax for the period for GPCI is 10,373 million tenge.

“AsiaGas Chundzha” LLP (“AsiaGas Chundzha”)

On September 27, 2024 the Fund issued 100 shares at par value of 92,941,670 tenge for the amount of 9,294 million tenge, that approximates their fair value, which were paid off by the Shareholder by means of 100% of interest in authorized capital of AsiaGas Chundzha in accordance with the Resolution of the Government of the RK (Note 18.1). Further, the Fund transferred 100% of interest in AsiaGas Chundzha as a contribution to the authorized capital of QazaqGaz.

The acquisition of AsiaGas Chundzha was accounted for as the acquisition of a subsidiary from parties under common control using the carrying amount method of assets and liabilities according to the financial statements of AsiaGas Chundzha, due to the absence of consolidated financial statements of the predecessor entity. Management believes that this presentation of the financial information most fairly represents the economic substance of the transaction. The difference between the consideration transferred and the net assets of AsiaGas Chundzha was recognized in equity.

The following is the value of the total consideration transferred and information about the carrying amounts of AsiaGas Chundzha 's assets and liabilities at the date of acquisition:

In millions of tenge	April 1, 2024
AsiaGas Chundzha net assets acquired	5,146
Fair value of shares issued (Note 18.1)	(9,294)
Difference between the consideration transferred by the Group and the carrying amount of net assets recognized in equity	(4,148)

7. DISPOSALS AND ASSETS CLASSIFIED AS HELD FOR SALE OR DISTRIBUTION TO THE SHAREHOLDER

Disposals in 2024

Air Astana JSC (hereinafter - Air Astana)

On February 14, 2024 the Fund disposed 9,884,209 (10%) of common shares at a price of 1,073.83 tenge per common share for a total amount of 10,614 million tenge through their sale on the Astana International Exchange and KASE. As a result of held IPO, the Fund’s share in Air Astana decreased from 51% to 41% and the control over Air Astana was lost, however the Fund retained the significant influence. The investment retained in the former subsidiary is recognized as an investment in associate accounted for using the equity method with initial fair value of 144,612 million tenge (Note 11) at the date of loss of control.

As at December 31, 2024 the Group completed the valuation of the fair value of the net identifiable assets and liabilities of Air Astana as at the date of disposal, which comprised 181,379 million tenge. The difference between the Group's share in the fair value of the net identifiable assets and liabilities of Air Astana at the date of disposal and fair value value of investment in associate of 70,247 million tenge was recognized as an assumed goodwill within the investment in associate (Note 11).

At the date of loss of control, the carrying value of net assets of Air Astana were as follows:

In millions of tenge	February 14, 2024
Assets	
Property, plant and equipment	387,885
Intangible assets	1,289
Other non-current financial assets	15,748
Other non-current assets	8,387
Deferred tax assets	16,837
Inventories	30,705
Income tax prepaid	6,027
Trade accounts receivable	11,046
VAT receivable	4,419
Other current financial assets	1,246
Other current assets	11,524
Cash and cash equivalents	120,524
Total assets	615,637
Liabilities	
Borrowings	187
Provisions	115,362
Lease liabilities	326,780
Other non-current financial liabilities	283
Trade and other payables	27,885
Other current financial liabilities	7,615
Other current liabilities	43,451
Total liabilities	521,563
Net assets	94,074
Cash consideration received at the date of disposal of subsidiary	10,614
Fair value of 41% retained interest in an associate (Note 11)	144,612
Disposal of non-controlling interests	48,206
Recycling of accumulated loss on transactions with hedge instruments and foreign currency translation reserve to gain on disposal of a subsidiary	3,485
Net assets disposed	(94,074)
Gain from disposal of subsidiary	112,843

Gain from the disposal of Air Astana, less transaction costs of 308 million tenge, amounted to 112,535 million tenge.

Kazakhstan Petrochemical Industries Inc. LLP (hereinafter - KPI)

On February 27, 2024 the Group completed the sale of 40% share in KPI to SIBUR Holding PJSC. The sale price of a 40% share in KPI was 180,000 thousand US dollars (equivalent to 80,993 million tenge as at date of disposal). The price under the sales agreement is payable in installments according to a payment schedule until November 30, 2026. On February 29, 2024 SIBUR Holding PJSC made payment of the 1st tranche under the sale agreement for a 40% share in KPI in the amount of 90 million US dollars (equivalent to 40,618 million tenge).

As a result, the Group lost control over the subsidiary and recognized remaining 59% share in KPI as an investment in joint venture at fair value, as decisions about the relevant activities of KPI require the unanimous consent of the parties sharing control.

At the date of loss of control assets and liabilities of KPI were as follows:

In millions of tenge	Net assets at the date of disposal
Assets	
Property, plant and equipment	921,763
Intangible assets	35,678
Other non-current financial assets	1,516
Other non-current assets	42,009
Inventories	19,811
Income tax prepaid	408
Trade accounts receivable	2,133
VAT receivable	782
Other current financial assets	352
Other current assets	3,397
Cash and cash equivalents	9,644
Total assets	1,037,493
Liabilities	
Borrowings	943,217
Other non-current liabilities	17
Deferred tax liabilities	8,510
Trade and other payables	68,885
Other current financial liabilities	2,120
Other current liabilities	11,552
Total liabilities	1,034,301
Net assets	3,192

The result of the disposal of a subsidiary is presented as follows:

In millions of tenge	
Cash consideration received at the date of disposal of subsidiary	40,618
Fair value of the additional consideration receivable at the date of disposal of subsidiary	34,069
Disposal of non-controlling interests	269
Recognition of the fair value of financial guarantees issued and loan commitment to KPI (Note 23)	(67,843)
Net assets disposed	(3,192)
Gain from disposal of subsidiary	3,921

For the period from January 1, 2024 to the date of loss of control, as a result of its operating activities KPI incurred revenue of 20,001 million tenge and expenses of 12,720 million tenge (Notes 25, 26).

The net cash flows incurred by KPI for the period from January 1, 2024 through the date of loss of control are as follows:

In millions of tenge		January 1, 2024 – February 27, 2024
Operating		(28,511)
Investing		(855)
Financing		(3,787)
		(33,153)
Effects of exchange rate changes on cash and cash equivalents		621
Net decrease in cash and cash equivalents		(32,532)

Karaton Operating Ltd. (hereinafter - Karaton)

On February 21, 2024, the Group, represented by its subsidiary National Company “KazMunayGas” JSC (“KMG”), and Tatneft PJSC signed a purchase and sale agreement for a 50% share of Karaton, subsidiary of the KMG, holder of a contract for the production of hydrocarbons at Karaton subsoil blocks located in Atyrau region. As a result the Group lost control over Karaton.

The sale price of a 50% share in Karaton was 18.2 million US dollars (equivalent to 8,255 million tenge at the date of disposal of subsidiary).

On March 13, 2024, Tatneft PJSC made payment of cash consideration in the amount of 18.2 million US dollars (equivalent to 8,188 million tenge at the date of payment).

The investment retained in the former subsidiary is an investment in a joint venture accounted for using the equity method and its fair value was 8,255 million tenge at the date of loss of control.

KMG and Tatneft PJSC have joint control over the Karaton where decisions about the relevant activities of Karaton require unanimous consent.

The net cash flows incurred by Karaton for the period from January 1, 2024 through the date of loss of control are as follows:

In millions of tenge		January 1, 2024 – February 21, 2024
Investing		(118)
Net decrease in cash and cash equivalents		(118)

At the date of loss of control net assets of Karaton were as follows:

In millions of tenge		Net assets at the date of disposal
Assets		
Property, plant and equipment		28
Exploration and evaluation assets		291
Other assets		21
Cash and cash equivalents		178
Total assets		518
Liabilities		
Trade and other payables		5
Other current liabilities		413
Total liabilities		418
Net assets		100
Cash consideration received at the date of disposal of subsidiary		8,255
Fair value of 50% retained interest in a joint venture (Note 11)*		8,255
Gain from disposal of subsidiary		16,410

* The Group recognized 50% investment in a joint venture for the corresponding share at a fair value of identifiable net assets of Karaton.

Tau-Ken Temir LLP and Silicon mining LLP

On May 31, 2024 the Group, represented by its subsidiary National Mining Company Tau-Ken Samruk JSC (hereinafter - "TKS"), entered into an agreement with a consortium consisting of METALEEN INVESTMENTS HOLDINGS LLC and TSP ALÜMİNYUM ANONİM ŞİRKETİ on the sale of a 55% share in its subsidiaries Tau-Ken Temir LLP and Silicon Mining LLP. The sale was completed on August 27, 2024 upon receipt of full payment in the amount of 4,907 million tenge.

As of the date of loss of control, the net assets of Tau-Ken Temir LLP and Silicon Mining LLP amounted to 4,108 million tenge.

The result of the disposal of subsidiaries is presented as follows:

In millions of tenge	August 27, 2024
Cash consideration received at the date of disposal of subsidiaries	4,907
Fair value of 45% retained interests in associates (Note 11)	3,918
Net assets disposed	(4,108)
Gain from disposal of subsidiaries	4,717

Besshoky Ltd

On January 31, 2024 the Group completed the sale of its 100% interest in Besshoky Ltd. The consideration received was 4,214 million tenge, including an advance of 919 million tenge received in December 2023. As at the date of loss of control, the net assets of Besshoky Ltd were 5 million tenge. The net proceeds from the disposal of Besshoky Ltd were 4,209 million tenge.

Disposals in 2023

Railway Passenger Coach Construction Plant LLP

On December 13, 2022 the Group entered into a sale agreement with a third party for a 100% interest in the charter capital of Railway Passenger Coach Construction Plant LLP. As at December 31, 2022 the Group classified the assets and liabilities of Railway Passenger Coach Construction Plant LLP as a disposal group held for sale at the lower of their carrying amount and fair value less costs to sell. Since this subsidiary does not represent a separate major line of business for the Group, the Group did not classify the financial performance of the subsidiary as a discontinued operation. On January 27, 2023 the Group completed the transaction on the date of the state re-registration and lost control over the subsidiary.

At the date of loss of control net assets of Railway Passenger Coach Construction Plant LLP were as follows:

In millions of tenge	Net assets at the date of disposal
Property, plant and equipment	5,666
Inventories	40
VAT receivable	2
Other current financial assets	40,000
Other current assets	7
Cash and cash equivalents	52
Total assets	45,767
Trade and other payables	20
Other current liabilities	40,029
Total liabilities	40,049
Net assets	5,718

The result of the disposal of a subsidiary is presented as follows:

In millions of tenge

Proceeds from disposal of subsidiary	12,000
Net assets disposed	(5,718)
Result of disposal of Railway Passenger Coach Construction Plant LLP	6,282

Kalamkas-Khazar Operating LLP (hereinafter – “KKO”)

On February 9, 2023, the Group, represented by its subsidiary the “National Company “KazMunayGas” JSC, and Lukoil PJSC signed a purchase and sale agreement for a 50% share of KKO, subsidiary of the Group, holder of a contract for the production of hydrocarbons at the Kalamkas-Sea, Khazar and Auezov subsoil blocks located in the Kazakhstani sector of the Caspian Sea. On September 11, 2023, KKO was re-registered after the parties fulfilled the suspensive conditions of a purchase and sale agreement. As a result of the transaction, the Group lost control over KKO.

The sale price of a 50% share was 200 million US dollars (equivalent to 93,258 million tenge at the date of disposal of subsidiary). According to the terms of the sale and purchase agreement, the sale price may be adjusted by 100 million US dollars if certain conditions are met (the Additional consideration). The Group recognized this Additional consideration as a financial asset measured at fair value through profit or loss in the amount of 29 million US dollars (equivalent to 14,154 million tenge).

On September 21, 2023, Lukoil PJSC made payment of cash consideration in the amount of 200 million US dollars (equivalent to 94,644 million tenge at the date of payment).

The investment retained in the former subsidiary is a joint venture accounted for using the equity method and its fair value is 93,258 million tenge (Note 11).

At the date of loss of control net assets of KKO were as follows:

In millions of tenge	Net assets at the date of disposal
Property, plant and equipment	5,185
Exploration and evaluation assets	14,678
VAT receivable	626
Cash and cash equivalents	20
Total assets	20,509
Borrowings	2,511
Trade and other payables	3,548
Other current liabilities	5
Total liabilities	6,064
Net assets directly associated with the disposal group	14,445
Cash consideration received at the date of disposal of subsidiary	93,258
Fair value of the Additional consideration at the date of disposal of subsidiary	14,154
Fair value of 50% retained interest in a joint venture (Note 11)	93,258
Gain from disposal of subsidiary	186,225

The results of KKO for the period from January 1, 2023 through the date of loss of control are presented below:

In millions of tenge	January 1, 2023 – September 11, 2023
General and administrative expenses	(108)
Finance income	7
Finance costs	(33)
Net foreign exchange loss	(98)
Income tax expenses	(1)
Net loss for the period	(233)

The net cash flows incurred by KKO for the period from January 1, 2023 through the date of loss of control are as follows:

In millions of tenge	January 1, 2023 – September 11, 2023
Operating	(102)
Investing	(16,937)
Financing	17,059
Net decrease in cash and cash equivalents	20

Assets classified as held for sale or distribution to the Shareholder

Assets classified as held for sale or distribution to the Shareholder comprised the following:

In millions of tenge	Segment	December 31, 2024	December 31, 2023
Assets classified as held for sale, including		833,309	1,684,796
Mobile Telecom Service LLP	Communication	577,345	–
GPC Investment LLP (Note 6)	Oil-and-gas and petrochemical	239,133	–
Qazaq Air JSC	Air transportation	14,944	–
Kazakhstan Petrochemical Industries Inc. LLP	Oil-and-gas and petrochemical	–	1,064,032
Air Astana JSC	Air transportation	–	618,826
Other		1,887	1,938
Assets classified as held for distribution to Shareholder		2,582	104
		835,891	1,684,900

Liabilities associated with assets classified as held for sale or distribution to the Shareholder comprised the following:

In millions of tenge	Segment	December 31, 2024	December 31, 2023
Liabilities associated with assets classified as held for sale		(343,940)	(1,573,820)
Mobile Telecom Service LLP	Communication	(167,487)	–
GPC Investment LLP (Note 6)	Oil-and-gas and petrochemical	(172,717)	–
Qazaq Air JSC	Air transportation	(3,736)	–
Kazakhstan Petrochemical Industries Inc. LLP	Oil-and-gas and petrochemical	–	(1,052,257)
Air Astana JSC	Air transportation	–	(521,563)
		(343,940)	(1,573,820)

Mobile Telecom Service LLP

On April 30, 2024 the Group announced its decision to dispose Mobile Telecom Service LLP (hereinafter - “MTS”) by selling its 100% share to Power International Holding (PIH). On June 4, 2024 the Group entered into an agreement for the sale of MTS with PIH Interconnect Ltd.

As at December 31, 2024, all conditions under the MTS sale agreement were satisfied, but under this agreement, the transaction is to be completed on a date that is three business days after the date of notice from either party to the agreement confirming that the last of the conditions has been duly satisfied, or on such date as the parties to the agreement may agree in writing. As at December 31, 2024 the Group had not signed a transaction completion document with PIH and, accordingly, the Group retained control over MTS. The sale of 100% of MTS was completed on January 14, 2025.

Since this subsidiary does not represent a separate major line of business for the Group, the Group did not classify the financial performance of the subsidiary as a discontinued operation.

As of December 31, 2024 MTS's fair value less costs to sell exceeded MTS's net assets.

As of December 31, 2024 MTS's principal assets and liabilities classified as held for sale were as follows:

In millions of tenge	December 31, 2024
Assets	
Property, plant and equipment	251,257
Intangible assets, including:	256,477
Goodwill (Note 9)	96,206
Other non-current financial assets	80
Other non-current assets	2,244
Inventories	3,830
Trade accounts receivable	5,437
Other current assets	6,861
Cash and cash equivalents	51,159
Assets classified as held for sale	577,345
Liabilities	
Borrowings	30,540
Provisions	20,472
Lease liabilities	39,910
Other non-current liabilities	18,616
Deferred tax liabilities	12,106
Income taxes payable	339
Trade and other payables	18,492
Employee benefit liabilities	4,548
Other current liabilities	22,464
Liabilities associated with assets classified as held for sale	167,487
Net assets held for sale	409,858

During the period from the date of reclassification of property, plant and equipment to assets held for sale and December 31, 2024, MTS acquired property, plant and equipment with a total initial cost of 22,821 million tenge.

Qazaq Air JSC

On June 24, 2024, the Board of Directors of the Fund made a decision to transfer up to 100% of the shares of Qazaq Air JSC to a competitive environment through a direct targeted sale in favor of SOVICO Group JSC. On December 24, 2024, a sale and purchase agreement was signed between the Fund and a consortium consisting of Central Asia Aviation Holdings Limited (part of the Vietnamese conglomerate Sovico Group JSC) and Kazasia Holdings Limited. The sale transaction was not completed by the end of 2024, as certain conditions precedent were not met. In this regard, the Group retained control over Qazaq Air JSC as of December 31, 2024. Due to the fact that as a result of the sale, the Group will retain significant influence, the Group will recognise an investment at fair value in an associate.

Since this subsidiary does not represent a separate major line of business for the Group, the Group did not classify the financial performance of the subsidiary as a discontinued operation. The management of the Group expects the transaction will be completed within 12 months after the reporting date, therefore the net assets of Qazaq Air JSC of 11,208 million tenge were reclassified as assets held for sale as at December 31, 2024.

The assets and liabilities of Qazaq Air JSC as at December 31, 2024 are presented as follows:

In millions of tenge	December 31, 2024
Assets	
Property, plant and equipment	9,041
Intangible assets	18
Inventories	2,173
Trade accounts receivable	26
VAT receivable	174
Income tax prepaid	30
Other current assets	1,312
Cash and cash equivalents	2,170
Assets classified as held for sale	14,944
Liabilities	
Trade and other payables	1,889
Other current liabilities	1,847
Liabilities associated with assets classified as held for sale	3,736
Net assets held for sale	11,208

8. PROPERTY, PLANT AND EQUIPMENT

In millions of tenge	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infrastructure	Machinery, equipment and vehicles	Mining assets	Other	Construction in progress	Total
Net book value at January 1, 2023	4,666,607	1,985,605	1,154,397	1,295,503	3,760,385	197,087	205,231	1,163,956	14,428,771
Foreign currency translation	(72,665)	(6,502)	(2,831)	(172)	(8,439)	–	(2,036)	(4,015)	(96,660)
Changes in estimates	5,903	5,385	(2,927)	–	414	(2,132)	(4)	(1,572)	5,067
Additions	55,727	71,912	25,898	591	150,656	51,242	16,281	1,869,340	2,241,647
Acquisition through business combinations (Note 5)	159,728	–	6,020	–	943	–	118	14,708	181,517
Additions through lease agreements	1,447	–	13,746	–	134,196	–	40,914	–	190,303
Capitalized repair works on right-of-use assets	–	–	–	–	4,782	–	–	–	4,782
Lease modifications	2,057	19	(781)	–	65,830	–	959	–	68,084
Disposals	(39,022)	(8,819)	(10,570)	(73)	(67,495)	(52)	(7,729)	(5,737)	(139,497)
Loss of control over subsidiaries (Note 7)	–	–	–	–	–	–	–	(5,185)	(5,185)
Depreciation charge	(361,838)	(155,784)	(69,224)	(42,070)	(405,780)	(55,998)	(21,999)	–	(1,112,693)
Depreciation and impairment on disposals	23,353	8,438	6,348	58	65,220	9	7,317	3,128	113,871
Impairment, net of reversal of impairment (Note 29)	–	(83,215)	(12,154)	(922)	(1,517)	(324)	(4,528)	(26,577)	(129,237)
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net (Note 7)	–	–	(14,529)	–	(365,214)	(5)	(6,963)	(1,478)	(388,189)
Transfers from/(to) exploration and evaluation assets, investment property, net	12,107	(702)	(305)	–	–	2,360	(32)	19	13,447
Transfer from/(to) inventories, net	58	600	137	(5,108)	1,651	37,351	897	9,798	45,384
Other transfers and reclassifications	263,459	342,743	77,885	170,921	706,533	(48)	12,922	(1,574,415)	–
Other changes	(62)	–	–	–	73	–	–	(1,860)	(1,849)
Net book value at December 31, 2023 (restated)	4,716,859	2,159,680	1,171,110	1,418,728	4,042,238	229,490	241,348	1,440,110	15,419,563
Historical cost	7,613,703	4,390,002	1,991,660	1,785,016	7,184,701	538,700	463,090	1,579,608	25,546,480
Accumulated depreciation and impairment	(2,896,844)	(2,230,322)	(820,550)	(366,288)	(3,142,463)	(309,210)	(221,742)	(139,498)	(10,126,917)
Net book value at December 31, 2023 (restated)	4,716,859	2,159,680	1,171,110	1,418,728	4,042,238	229,490	241,348	1,440,110	15,419,563

In millions of tenge	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infrastructure	Machinery, equipment and vehicles	Mining assets	Other	Construction in progress	Total
Including right-of-use assets under lease agreements									
Net book value at January 1, 2023	27,643	95,397	32,585	–	470,669	–	31,092	–	657,386
Foreign currency translation	(518)	(103)	(427)	–	(6,659)	–	(551)	–	(8,258)
Changes in estimates	–	–	–	–	–	–	(4)	–	(4)
Additions through lease agreements	1,447	–	13,746	–	134,196	–	40,914	–	190,303
Capitalized repair works	–	–	–	–	4,782	–	–	–	4,782
Lease modifications	2,057	19	(781)	–	65,830	–	959	–	68,084
Termination of lease agreements	(20,711)	–	(6,347)	–	(21,673)	–	(31)	–	(48,762)
Depreciation charge	(5,319)	(22,628)	(8,482)	–	(93,676)	–	(5,128)	–	(135,233)
Depreciation and impairment on disposals	6,195	–	4,047	–	21,438	–	22	–	31,702
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net	–	–	(4,564)	–	(337,927)	–	–	–	(342,491)
Transfer from/(to) property, plant and equipment, net	–	–	820	–	(36,660)	–	(590)	–	(36,430)
Net book value at December 31, 2023	10,794	72,685	30,597	–	200,320	–	66,683	–	381,079
Historical cost of right-of-use assets under lease agreements	23,936	119,081	60,212	–	298,333	–	85,794	–	587,356
Accumulated depreciation and impairment of right-of-use assets under lease agreements	(13,142)	(46,396)	(29,615)	–	(98,013)	–	(19,111)	–	(206,277)
Net book value at December 31, 2023	10,794	72,685	30,597	–	200,320	–	66,683	–	381,079

In millions of tenge	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infrastructure	Machinery, equipment and vehicles	Mining assets	Other	Construction in progress	Total
Net book value at January 1, 2024 (restated)	4.716.859	2.159.680	1.171.110	1.418.728	4.042.238	229.490	241.348	1.440.110	15.419.563
Foreign currency translation	572.926	40.691	15.348	(41)	13.571	–	23.227	35.797	701.519
Changes in estimates	(8.735)	(14.655)	(2.172)	–	2.228	(1.795)	1	–	(25.128)
Additions	60.100	310.627	9.960	365	125.265	100.110	11.292	2.080.332	2.698.051
Acquisition through business combinations (Note 5)	–	3.005	2.191	–	223	23.318	15	604	29.356
Additions through lease agreements	3.343	–	10.720	–	184.754	–	12.866	–	211.683
Capitalized repair works on right-of-use assets	–	–	–	–	23	–	–	–	23
Lease modifications	–	88	4.244	–	7.750	–	4.679	–	16.761
Disposals	(45.619)	(5.867)	(15.705)	(457)	(95.453)	–	(14.524)	(11.198)	(188.823)
Loss of control over subsidiaries (Note 7)	–	–	–	–	–	–	(28)	–	(28)
Depreciation charge	(400.901)	(156.934)	(64.095)	(42.330)	(347.922)	(68.345)	(24.489)	–	(1.105.016)
Depreciation and impairment on disposals	37.407	5.764	12.096	296	89.508	–	12.915	6.016	164.002
Impairment, net of reversal of impairment (Note 29)	–	(6.576)	5.988	(59)	(2.670)	–	138	(93.458)	(96.637)
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net (Note 7)	–	(785)	(16.639)	–	(145.501)	–	(2.607)	(70.933)	(236.465)
Transfers from/(to) exploration and evaluation assets, investment property, net	58	(425)	(5.890)	–	(27)	13.423	(4)	(618)	6.517
Transfer from/(to) inventories, net	437	169	(57)	(4.011)	2.161	54.555	908	9.265	63.427
Other transfers and reclassifications	231.209	134.354	116.841	166.546	987.482	5.986	13.594	(1.656.012)	–
Other changes	(387)	–	–	–	691	–	3	(1.674)	(1.367)
Net book value at December 31, 2024	5.166.697	2.469.136	1.243.940	1.539.037	4.864.321	356.742	279.334	1.738.231	17.657.438
Historical cost	8.760.473	5.063.347	2.139.106	1.938.676	8.116.694	734.297	528.634	1.960.220	29.241.447
Accumulated depreciation and impairment	(3.593.776)	(2.594.211)	(895.166)	(399.639)	(3.252.373)	(377.555)	(249.300)	(221.989)	(11.584.009)
Net book value at December 31, 2024	5.166.697	2.469.136	1.243.940	1.539.037	4.864.321	356.742	279.334	1.738.231	17.657.438

In millions of tenge	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infrastructure	Machinery, equipment and vehicles	Mining assets	Other	Construction in progress	Total
Including right-of-use assets under lease agreements									
Net book value at January 1, 2024	10,794	72,685	30,597	–	200,320	–	66,683	–	381,079
Foreign currency translation	1,510	816	2,017	–	97	–	10,595	–	15,035
Additions through lease agreements	3,343	–	10,720	–	184,754	–	12,866	–	211,683
Capitalized repair works	–	–	–	–	23	–	–	–	23
Lease modifications	–	88	4,244	–	7,750	–	4,679	–	16,761
Termination of lease agreements	(6,662)	(18)	(6,468)	–	(27,770)	–	(5,184)	–	(46,102)
Depreciation charge	(6,714)	(22,636)	(8,256)	–	(25,838)	–	(6,667)	–	(70,111)
Depreciation and impairment on disposals	5,880	18	4,430	–	27,166	–	5,096	–	42,590
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net	–	–	(2,188)	–	(44,874)	–	–	–	(47,062)
Transfer to property, plant and equipment	–	–	–	–	(672)	–	(44)	–	(716)
Net book value at December 31, 2024	8,151	50,953	35,096	–	320,956	–	88,024	–	503,180
Historical cost of right-of-use assets under lease agreements	24,642	120,268	66,507	–	395,566	–	111,218	–	718,201
Accumulated depreciation and impairment of right-of-use assets under lease agreements	(16,491)	(69,315)	(31,411)	–	(74,610)	–	(23,194)	–	(215,021)
Net book value at December 31, 2024	8,151	50,953	35,096	–	320,956	–	88,024	–	503,180

As at December 31, 2024 property, plant and equipment with net book value of 269,087 million tenge was pledged as collateral for some of the Group's borrowings (December 31, 2023: 200,191 million tenge).

As at December 31, 2024 the cost of fully amortised property, plant and equipment of the Group was equal to 1,479,159 million tenge (December 31, 2023: 1,404,115 million tenge).

In 2024 the Group capitalized borrowing costs at an average interest rate of 12.93% in the amount of 107,098 million tenge (Notes 19, 20) less investment income of 465 million tenge (2023: at an average interest rate of 13.56% in the amount of 84,178 million tenge less investment income of 1,665 million tenge).

9. INTANGIBLE ASSETS

In millions of tenge	Licenses	Subsurface use rights	Goodwill	Marketing related intangible assets	Software	Other	Total
Net book value at January 1, 2023	694,980	795,766	317,072	27,286	66,786	43,749	1,945,639
Foreign currency translation	(9,039)	(3,659)	(211)	(477)	(318)	(253)	(13,957)
Changes in estimates	–	(279)	–	–	–	–	(279)
Additions	156,723	68	–	–	26,220	30,604	213,615
Acquisition through business combinations (Note 5)	–	667	9,814	–	3,098	1,716	15,295
Disposals	(821)	–	–	–	(6,483)	(509)	(7,813)
Amortization charge	(53,046)	(39,616)	–	–	(35,291)	(4,018)	(131,971)
Accumulated amortization and impairment on disposals	817	–	–	–	6,319	455	7,591
(Impairment)/reversal of impairment, net (Note 29)	36	–	–	–	25	(1,807)	(1,746)
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net	–	–	–	–	(1,289)	–	(1,289)
Other transfers and reclassifications	6,241	–	–	–	(1,893)	(4,348)	–
Other changes	1	62	–	–	495	459	1,017
Net book value at December 31, 2023 (restated)	795,892	753,009	326,675	26,809	57,669	66,048	2,026,102
Foreign currency translation	71,155	29,423	1,845	4,161	909	2,243	109,736
Additions	12,653	178	–	–	7,387	20,728	40,946
Acquisition through business combinations (Note 5)	18	709,797	–	–	–	–	709,815
Additions through lease agreements	678	–	–	–	1,901	–	2,579
Disposals	(5,564)	–	(1,515)	–	(11,383)	(588)	(19,050)
Amortization charge	(56,355)	(47,549)	–	–	(21,614)	(3,575)	(129,093)
Accumulated amortization and impairment on disposals	5,559	–	1,515	–	11,279	421	18,774
(Impairment)/reversal of impairment, net (Note 29)	–	–	–	–	(23)	(305)	(328)
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net (Note 7)	(151,210)	–	(96,206)	–	(2,501)	(3,222)	(253,139)
Other transfers and reclassifications	1,694	–	–	–	7,593	(9,287)	–

In millions of tenge	Licenses	Subsurface use rights	Goodwill	Marketing related intangible assets	Software	Other	Total
Other changes	–	1,953	–	–	253	(9,205)	(6,999)
Net book value at December 31, 2024	674,520	1,446,811	232,314	30,970	51,470	63,258	2,499,343
Historical cost	1,016,883	1,725,564	346,005	79,497	238,686	156,844	3,563,479
Accumulated amortization and impairment	(342,363)	(278,753)	(113,691)	(48,527)	(187,216)	(93,586)	(1,064,136)
Net book value at December 31, 2024	674,520	1,446,811	232,314	30,970	51,470	63,258	2,499,343
Historical cost	1,102,731	973,032	441,880	68,816	243,184	148,895	2,978,538
Accumulated amortization and impairment	(306,839)	(220,023)	(115,205)	(42,007)	(185,515)	(82,847)	(952,436)
Net book value at December 31, 2023 (restated)	795,892	753,009	326,675	26,809	57,669	66,048	2,026,102

In millions of tenge	Licenses	Subsur-face use rights	Goodwill	Marketing related intangible assets	Software	Other	Total
Including right-of-use assets under lease agreements							
Net book value at January 1, 2024	–	–	–	–	–	–	–
Additions through lease agreements	678	–	–	–	1,901	–	2,579
Depreciation charge	(10)	–	–	–	(38)	–	(48)
Transfer to intangible assets	(668)	–	–	–	–	–	(668)
Net book value at December 31, 2024	–	–	–	–	1,863	–	1,863
Historical cost of right-of-use assets under lease agreements	–	–	–	–	1,901	–	1,901
Accumulated depreciation and impairment of right-of-use assets under lease agreements	–	–	–	–	(38)	–	(38)
Net book value at December 31, 2024	–	–	–	–	1,863	–	1,863

As at December 31, 2024 and 2023, marketing related intangible assets were represented by trademarks of KMGI.

Carrying amount of goodwill is allocated to each of the group of cash-generating units as follows:

Cash-generating unit	December 31, 2024	December 31, 2023 (restated)
Pavlodar refinery CGU	88,553	88,553
Kcell JSC CGU	53,490	53,490
Karatau LLP CGU	24,808	24,808
JV Akbastau JSC CGU	18,520	18,520
National Company “Kazakhstan Temir Zholy” JSC (“NC KTZh”) CGU	15,520	15,520
CGUs of KMGI	13,737	11,892
CGU Dunga (Note 5)	9,814	9,814
MC Ortalyk LLP CGU	5,166	5,166
IP TV CGU	2,706	2,706
MTS CGU (Note 7)	–	96,206
Total goodwill	232,314	326,675

In 2024 and 2023, based on the impairment test results, no impairment of goodwill was recognized. For the detailed discussion of goodwill impairment test refer to Note 4.

10. EXPLORATION AND EVALUATION ASSETS

Movements in exploration and evaluation assets are presented as follows:

In millions of tenge	Tangible	Intangible	Total
Net book value at January 1, 2023	279,308	14,992	294,300
Foreign currency translation	(3,376)	–	(3,376)
Change in estimate	(374)	–	(374)
Additions	45,013	30,038	75,051
Disposals	(19,921)	(824)	(20,745)
Loss of control over subsidiaries (Note 7)	–	(14,678)	(14,678)
Impairment/write-off, net of reversal of impairment (Note 29)	(121,319)	(9,865)	(131,184)
Depreciation and impairment on disposals	19,918	648	20,566
Transfers from/(to) property, plant and equipment, net	(14,841)	355	(14,486)
Net book value at December 31, 2023	184,408	20,666	205,074
Foreign currency translation	21,216	–	21,216
Change in estimate	3,959	(5)	3,954
Additions	29,050	13,285	42,335
Acquisition through business combinations (Note 5)	1,723	–	1,723
Disposals	(47,953)	(2,405)	(50,358)
Loss of control over subsidiaries (Note 7)	(191)	(100)	(291)
Impairment/write-off, net of reversal of impairment (Note 29)	(20,648)	(1,036)	(21,684)
Depreciation and impairment on disposals	47,953	2,082	50,035
Transfer from/(to) assets classified as held for sale or distribution to the Shareholder, net	–	(16)	(16)
Transfers from/(to) property, plant and equipment, net	(13,481)	–	(13,481)
Other transfers and reclassifications	84	(84)	–
Other changes	58	(1,566)	(1,508)
Net book value at December 31, 2024	206,178	30,821	236,999
Historical cost	322,568	43,892	366,460
Accumulated impairment	(116,390)	(13,071)	(129,461)

In millions of tenge	Tangible	Intangible	Total
Net book value at December 31, 2024	206,178	30,821	236,999
Historical cost	316,150	34,783	350,933
Accumulated impairment	(131,742)	(14,117)	(145,859)
Net book value at December 31, 2023	184,408	20,666	205,074

As at December 31, 2024 and 2023 the exploration and evaluation assets are represented by the following projects:

In millions of tenge	2024	2023
North Caspian project	161,838	140,098
KMG Barlau	27,199	14,346
NAC KAP projects	14,792	26,019
Turgai paleozoi project	14,604	–
JSC "NC "QazaqGaz" projects	5,590	4,510
Embamunaigas JSC	2,711	1,509
Other	10,265	18,592
	236,999	205,074

11. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

As at December 31 investments in joint ventures and associates comprised the following:

In millions of tenge	Main activity	Place of business	2024		2023	
			Carrying amount	Percentage ownership	Carrying amount	Percentage ownership
Joint ventures						
Tengizchevroil LLP ³⁷	Oil and gas exploration and production	Kazakhstan	3,987,223	20.00%	3,598,510	20.00%
Asia Gas Pipeline LLP	Construction and operation of the gas pipeline	Kazakhstan	781,532	50.00%	978,536	50.00%
Beineu-Shymkent Pipeline LLP	Construction and operation of the gas pipeline	Kazakhstan	307,283	50.00%	280,300	50.00%
Mangistau Investments B.V. Group	Oil and gas development and production	Kazakhstan	196,938	50.00%	203,614	50.00%
Kalamkas-Khazar Operating LLP	Oil and gas development and production	Kazakhstan	88,018	50.00%	93,258	50.00%
Forum Muider B.V.	Production of coal	Kazakhstan	79,402	50.00%	79,941	50.00%
Ural Group Limited	Oil and gas exploration and production	Kazakhstan	67,860	50.00%	7,641	50.00%
KazRosGas LLP	Processing and sale of natural gas and refined gas products	Kazakhstan	66,539	50.00%	69,479	50.00%
Kazakhstan – China Pipeline LLP	Oil transportation	Kazakhstan	66,202	50.00%	53,358	50.00%
Silleno LLP ³⁸	Construction of the first integrated gas-chemical complex	Kazakhstan	65,190	40.00%	17,663	60.00%
Semizbay-U LLP	Extraction, processing and export of uranium products	Kazakhstan	39,763	51.00%	31,318	51.00%
Other			273,295		243,203	
Total joint ventures			6,019,245		5,656,821	
Associates						
Kazzinc LLP	Mining and processing of metal ores, production of refined metals	Kazakhstan	540,455	29.82%	432,557	29.82%
Caspian Pipeline Consortium JSC	Transportation of liquid hydrocarbons	Kazakhstan/ Russia	484,247	20.75%	451,913	20.75%
Air Astana JSC	Air transportation	Kazakhstan	168,737	41.00%	–	–
JV KATCO LLP	Exploration, production,	Kazakhstan	138,146	49.00%	97,501	49.00%
PetRepublic of Kazakhstanazakhstan Inc. (“PKI”)	Exploration, production and processing of oil and gas	Kazakhstan	82,175	33.00%	94,887	33.00%
Other			272,828		166,328	
Total associates			1,686,588		1,243,186	
			7,705,833		6,900,007	

³⁷ The share of 20% provides the Group the joint control over TCO where decisions about the relevant activities require unanimous consent.
³⁸ The share of 40% and 60% as at December 31, 2024 and 2023, respectively, provided the Group the joint control over Silleno where decisions about the relevant activities require unanimous consent.

The following tables illustrate summarized financial information of significant joint ventures, based on IFRS financial statements of these entities for 2024, reflecting equity method accounting adjustments:

In millions of tenge	Tengiz-chevroil LLP	Asia Gas Pipeline LLP	Beineu-Shymkent Pipeline LLP	Mangistau Investments B.V.	Kalamkas-Khazar Operating LLP	Forum Muider B.V.	Ural Group Limited	KazRosGas LLP	Kazakhstan – China Pipeline LLP	Silleno LLP	Semizbay-U LLP
Joint ventures											
Non-current assets	26,176,361	1,033,027	572,890	453,936	31,962	195,987	242,666	19,368	119,017	132,833	34,155
Current assets, including	2,664,463	731,998	126,431	237,009	6,307	90,157	23,706	127,977	49,543	1,918	75,899
Cash and cash equivalents	1,142,568	634,950	86,021	84,851	6,301	4,486	15,317	75,084	39,103	1,884	5,034
Non-current liabilities, including	7,086,258	164,754	67,684	140,577	43,328	14,006	47,481	403	22,936	–	7,316
Non-current financial liabilities	3,675,770	–	58,267	–	–	10,875	24,832	–	–	–	66
Current liabilities, including	1,818,449	37,207	53,348	159,532	5,819	113,335	19,923	13,864	13,220	5,623	16,301
Current financial liabilities	1,050,220	–	16,276	–	–	96,017	–	–	–	–	7,952
Equity	19,936,117	1,563,064	578,289	390,836	(10,878)	158,803	198,968	133,078	132,404	129,128	86,437
Share of ownership	20.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	40.00%	51.00%
Recognition of investment (Note 7)	–	–	–	–	93,258	–	–	–	–	–	–
Impairment of the investment	–	–	–	–	–	–	(20,000)	–	–	–	–
Goodwill	–	–	–	–	–	–	–	–	–	–	4,105
Unrealised profit/(loss)	–	–	–	–	199	–	–	–	–	–	(8,557)
Consolidation adjustments	–	–	18,138	1,520	–	–	(11,624)	–	–	13,539	132
Carrying amount of investment as at December 31, 2024	3,987,223	781,532	307,283	196,938	88,018	79,402	67,860	66,539	66,202	65,190	39,763
Revenue	8,358,505	897,105	164,864	871,754	–	138,481	26,561	255,369	87,939	–	95,508
Depreciation, depletion and amortization	(2,615,840)	(73,064)	(30,168)	(94,355)	–	(12,466)	(6)	(312)	(10,267)	–	(7,869)
Finance income	116,985	39,451	4,538	1,800	139	5,630	–	6,602	2,688	–	752
Finance costs	(240,018)	(223)	(9,684)	(17,802)	(1,495)	(11,521)	(586)	–	(333)	–	(1,178)
Income tax (expenses)/benefit	(669,126)	(164,140)	–	(38,238)	–	(21)	9,581	(14,569)	(10,519)	–	(12,612)
Profit/(loss) for the year	1,517,402	651,445	89,965	71,452	(10,479)	(912)	(17,922)	38,315	41,688	(2,138)	48,624
Other comprehensive income/(loss) for the year	2,693,108	725	–	4,365	–	(167)	33,035	20,454	(1)	–	(38)
Total comprehensive income/(loss) for the year	4,210,510	652,170	89,965	75,817	(10,479)	(1,079)	15,113	58,769	41,687	(2,138)	48,586
Unrealised profit	–	–	–	–	–	–	–	–	–	–	(3,058)
Dividends received	458,813	523,089	18,000	44,584	–	–	–	53,276	8,000	–	13,277

The following tables illustrate summarized financial information of significant joint ventures, based on IFRS financial statements of these entities for 2023, reflecting equity method accounting adjustments:

In millions of tenge	Tengiz-chevroil LLP	Asia Gas Pipeline LLP	Beineu-Shymkent Pipeline LLP	Mangistau Investments B.V.	Kalamkas-Khazar Operating LLP	Forum Muider B.V.	Ural Group Limited	KazRosGas LLP	Kazakhstan – China Pipeline LLP	Silleno LLP	Semizbay-U LLP
Joint ventures											
Non-current assets	24,831,196	1,086,415	599,565	462,565	9,192	191,625	193,637	33,032	127,038	36,284	31,061
Current assets, including	1,863,832	1,055,299	150,686	199,708	1,232	87,470	11,475	148,932	49,554	5,546	52,012
Cash and cash equivalents	696,871	881,038	8,226	89,410	112	5,196	6,905	65,122	23,837	5,516	29,571
Non-current liabilities, including	7,434,076	161,112	130,617	132,981	10,376	11,220	145,798	238	23,107	–	7,677
Non-current financial liabilities	4,091,040	–	117,703	–	–	8,959	119,188	–	–	–	–
Current liabilities, including	1,268,404	23,530	95,311	119,109	324	107,993	4,033	42,769	46,768	18,511	11,512
Current financial liabilities	–	–	45,825	–	–	93,781	–	–	32,843	–	3,646
Equity	17,992,548	1,957,072	524,323	410,183	(276)	159,882	55,281	138,957	106,717	23,319	63,884
Share of ownership	20.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	60.00%	51.00%
Recognition of investment (Note 7)	–	–	–	–	93,258	–	–	–	–	–	–
Impairment of the investment	–	–	–	–	–	–	(20,000)	–	–	–	–
Goodwill	–	–	–	–	–	–	–	–	–	–	4,105
Unrealised profit/(loss)	–	–	–	–	138	–	–	–	–	(173)	(5,499)
Consolidation adjustments	–	–	18,138	(1,477)	–	–	–	–	–	3,844	131
Carrying amount of investment as at December 31, 2023	3,598,510	978,536	280,300	203,614	93,258	79,941	7,641	69,479	53,358	17,663	31,318
Revenue	8,796,634	856,980	178,259	878,362	–	131,225	(352)	260,125	86,843	–	70,757
Depreciation, depletion and amortization	(2,426,361)	(76,035)	(28,452)	(107,455)	–	(9,395)	(109)	(295)	(10,170)	–	(7,994)
Finance income	86,023	20,964	5,788	784	2	9,331	–	2,243	585	–	712
Finance costs	(283,225)	(3,808)	(16,971)	(14,411)	(118)	(1,083)	(606)	–	(3,628)	–	(838)
Income tax expenses	(730,465)	(127,111)	–	(47,354)	–	(7,139)	8,206	(13,996)	(9,341)	–	(8,506)
Profit/(loss) for the year	1,704,419	537,264	105,855	76,510	(44)	23,760	(94,011)	64,648	37,440	(992)	32,542
Other comprehensive (loss)/income for the year	(325,499)	(738)	–	1,285	–	(195)	(3,243)	(305)	1	–	–
Total comprehensive income/(loss) for the year	1,378,920	536,526	105,855	77,795	(44)	23,565	(97,254)	64,343	37,441	(992)	32,542
Unrealised profit	–	–	–	–	–	–	–	–	–	–	(3,572)
Dividends received	502,227	–	10,864	–	–	–	–	553	2,500	–	9,959

The following tables illustrate summarized financial information of significant associates, based on IFRS financial statements of these entities for 2024 and 2023, reflecting equity method accounting adjustments:

2024						2023			
In millions of tenge	Kazzinc LLP	Caspian Pipeline Consortium JSC	Air Astana JSC*	JV KATCO LLP	Petro-Kazakhstan Inc. ("PKI")	Kazzinc LLP	Caspian Pipeline Consortium JSC	JV KATCO LLP	Petro-Kazakhstan Inc. ("PKI")
Associates									
Non-current assets	1,102,652	2,109,714	651,008	221,614	174,833	1,057,553	1,969,703	166,440	206,008
Current assets	1,068,419	288,618	334,104	110,132	139,072	834,858	295,663	88,943	138,626
Non-current liabilities	97,412	8,147	529,300	14,464	16,382	74,966	18,722	22,037	20,063
Current liabilities	261,394	299,418	215,592	26,587	27,971	366,986	279,064	14,872	16,497
Equity	1,812,265	2,090,767	240,220	290,695	269,552	1,450,459	1,967,580	218,474	308,074
Share of ownership	29.82%	20.75%	41.00%	49.00%	33.00%	29.82%	20.75%	49.00%	33.00%
Goodwill	–	50,413	70,247	68	–	–	43,640	68	–
Unrealised profit	–	–	–	(19,567)	–	–	–	(16,881)	–
Additional allocation of profits	–	–	–	15,205	–	–	–	7,261	–
Impairment of the investment	–	–	–		(6,778)	–	–	–	(6,778)
Carrying amount of investment	540,455	484,247	168,737	138,146	82,175	432,557	451,913	97,501	94,887
Revenue	1,925,032	1,063,100	557,069	242,535	132,943	1,668,169	1,039,509	147,448	128,343
Profit/(loss) for the year	215,884	392,890	26,800	138,226	6,828	(170,572)	310,160	66,006	14,814
Other comprehensive income/(loss) for the year	–	334,726	32,042	–	20,354	–	(42,915)	–	(4,927)
Total comprehensive income/(loss) for the year	215,884	727,616	58,842	138,226	27,182	(170,572)	267,245	66,006	9,887
Unrealised profit	–	–	–	(2,687)	–	–	–	(6,288)	–
Dividends received	31,293	115,804	–	40,233	17,920	–	124,585	49,689	2,864

* The amounts of revenue, profit, other comprehensive income and total comprehensive income of Air Astana JSC represent the amounts accrued for the period from the date of loss of control to December 31, 2024.

All of the above joint ventures and associates are strategic for the Group's business.

The following tables illustrate aggregate financial information of individually insignificant joint ventures (the Group's proportional interest):

In millions of tenge	2024	2023
Carrying amount of investments as at December 31	273,295	243,203
Net profit for the year	79,129	98,503
Other comprehensive income for the year	4,659	(1,701)
Total comprehensive income for the year	83,788	96,802

The following tables illustrate aggregate financial information of individually insignificant associates (the Group's proportional interest):

In millions of tenge	2024	2023
Carrying amount of investments as at December 31	272,828	166,328
Net profit for the year	74,179	65,799
Other comprehensive income/(loss) for the year	12,952	(7,503)
Total comprehensive income for the year	87,131	58,296

In 2024 dividends received from individually insignificant joint ventures and associates were equal to 124,149 million tenge (2023: 104,884 million tenge).

The following table summarizes the movements in equity investments in joint ventures and associates in 2024 and 2023:

In millions of tenge	2024	2023
Balance as at January 1	6,900,007	6,735,441
Share in profit of joint ventures and associates, net (Note 32)	1,148,846	945,079
Dividends received	(1,448,438)	(808,125)
Change in dividends receivable	21,395	(21,796)
Additional contributions without change in ownership	75,610	21,229
Acquisitions	219,198	100,820
Adjustment of unrealized income*	(322)	(2,140)
Disposals	(7,169)	(1)
Disposal of an interest in a joint venture without loss of joint control	(6,393)	–
Foreign currency translation	738,074	(100,768)
Other comprehensive income, other than foreign currency translation	11,467	5,916
Impairment, net (Note 29)	(4,420)	(5,073)
Other changes in the equity of the joint venture	57,978	29,425
Balance as at December 31	7,705,833	6,900,007

* Adjustment of unrealized income includes unrealized income from sale of other non-current assets from joint ventures to Group and capitalized borrowings costs on the loans provided by the Group to joint ventures.

As at December 31, 2024, the Group's share in unrecognized losses of joint ventures and associates was equal to 158,588 million tenge (December 31, 2023: 8,516 million tenge).

12. LOANS ISSUED AND NET INVESTMENT IN FINANCE LEASE

As at December 31, loans issued and net investment in finance lease comprised the following:

In millions of tenge	2024	Weighted average effective interest rate	2023	Weighted average effective interest rate
Loans issued at amortized cost	195,606	12.61%	130,979	11.33%
Loans issued at fair value through profit or loss	82,945	8.71%	86,173	12.95%
Net investment in finance lease	37,489	10.54%	45,614	10.21%
Total loans and net investment in finance lease	316,040		262,766	
Less: allowance for expected credit losses	(22,224)		(28,756)	
Loans issued and net investment in finance lease, net	293,816		234,010	
Less: current portion	(65,682)		(131,472)	
Non-current portion	228,134		102,538	

Movements in the loan allowance for expected credit losses for the years ended December 31 were as follows:

In millions of tenge	2024	2023
Allowance at January 1	28,756	17,284
Charged, net	(1,161)	11,372
Acquisition through business combinations (Note 5)	(1,280)	–
Write-off	(3,956)	–
Other changes	(135)	100
Allowance at December 31	22,224	28,756

As at December 31, 2024 and 2023 for loans issued and net investment in finance lease for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). Since initial recognition of the loans and receivables due from related parties there have been no significant increases in credit risk.

As at December 31 the components of net investment in finance lease are as follows:

In millions of tenge	2024	2023
Within one year	10,614	12,674
Later than one year, but not later than five years	26,120	28,862
After five years	13,545	21,232
Lease payments	50,279	62,768
Less: unearned finance income	(12,790)	(17,154)
Net investment in finance lease	37,489	45,614

In millions of tenge	2024	2023
Loans issued and net investment in finance lease in tenge	210,884	145,335
Loans issued in US dollars	82,932	88,675
	293,816	234,010

13. AMOUNTS DUE FROM CREDIT INSTITUTIONS

As at December 31 amounts due from credit institutions comprised the following:

In millions of tenge	2024	2023
Bank deposits	1,525,420	1,258,181
Loans to credit institutions	32,345	41,119
Less: allowance for expected credit losses	(260)	(420)
Amounts due from credit institutions, net	1,557,505	1,298,880
Less: current portion	(1,523,660)	(1,243,196)
Non-current portion	33,845	55,684

In millions of tenge	2024	2023
Rating from A+(A1) to A-(A3)	1,511,294	1,217,905
Rating from BBB-(Baa3) to BB-(Ba3)	45,725	80,531
Rating from B+(B1) to B-(B3)	486	444
	1,557,505	1,298,880

In millions of tenge	2024	Weighted average effective interest rate	2023	Weighted average effective interest rate
Amounts due from credit institutions, denominated in US dollars	1,515,113	4.88%	1,227,916	5.68%
Amounts due from credit institutions, denominated in tenge	42,024	3.07%	70,671	6.28%
Amounts due from credit institutions, denominated in other currencies	368	9.97%	293	6.62%
	1,557,505		1,298,880	

As at December 31, 2024 there has not been a significant increase in credit risk for amounts due from credit institutions since their initial recognition.

14. OTHER FINANCIAL ASSETS

As at December 31 other financial assets comprised the following:

In millions of tenge	2024	2023
Financial assets at fair value through other comprehensive income, including:	436,964	46,696
Treasury notes of foreign governments	274,390	23,844
Treasury bills of the Ministry of Finance of the RK	98,599	6,869
Corporate bonds	58,827	15,910
Eurobonds of the Ministry of Finance of the RK	5,075	–
Equity securities	73	73
Financial assets at amortized cost, including:	1,134,507	1,513,528
Bonds of Kazakhstani financial institutions	459,758	791,958
Corporate bonds	138,375	123,472
Treasury notes of foreign governments	76,425	99,079
Notes of the National Bank of the RK	69,901	122,178
Treasury bills of the Ministry of Finance of the RK	33,676	18,462
Eurobonds of the Ministry of Finance of the RK	6,030	1,936
Other financial assets at amortized cost, including:		
Restricted cash	223,120	186,347
Other accounts receivable	227,660	233,692
Amounts due from employees	12,046	13,530
Dividends receivable	8,308	21,262
Reservation of cash for repayment of borrowings	–	2,530
Other	12,919	13,670
Less: allowance for expected credit losses	(133,711)	(114,588)
Financial assets at fair value through profit or loss, including:	197,670	168,287

In millions of tenge	2024	2023
Equity securities	169,060	136,850
Additional consideration for sale of a subsidiary	17,461	13,862
Guaranteed returns from a shareholder of a joint venture	10,798	13,728
Corporate bonds	351	1,762
Options	–	2,085
Total financial assets	1,769,141	1,728,511
Less: current portion	(704,277)	(1,134,317)
Non-current portion	1,064,864	594,194

Debt securities

During the year ended December 31, 2024 as part of its free cash flow management strategy the Group was investing into notes of the National Bank of the RK with maturities of less than twelve months, that are usually held to maturity. As of December 31, 2024 the investment amounted to 69,901 million tenge (December 31, 2023: 122,178 million tenge).

During the year ended December 31, 2024 the Group also invested in debt securities issued by the US Department of the Treasury (US Treasury), Ministries of Finance of the RK and other foreign countries. As of December 31, 2024 the investment amounted to 494,195 million tenge (December 31, 2023: 150,190 million tenge).

As at December 31 other financial assets by currency, except for derivatives, comprised:

In millions of tenge	2024	2023
Financial assets, denominated in tenge	917,103	1,265,181
Financial assets, denominated in US dollars	819,579	437,477
Financial assets, denominated in euro	15,870	15,059
Financial assets, denominated in other currency	16,589	8,709
	1,769,141	1,726,426

15. INVENTORIES

As at December 31 inventories comprised the following:

In millions of tenge	2024	2023
Uranium products (at lower of cost and net realizable value)	314,367	328,015
Production materials and supplies (at lower of cost and net realizable value)	143,297	129,158
Oil refined products for sale (at lower of cost and net realizable value)	92,028	61,621
Crude oil (at cost)	90,509	82,354
Gas processed products (at cost)	87,291	64,123
Work in progress (at lower of cost and net realizable value)	80,658	104,378
Goods for resale (at lower of cost and net realizable value)	69,998	58,455
Oil and gas industry materials and supplies (at cost)	45,979	53,786
Fuel (at lower of cost and net realizable value)	34,101	40,305
Railway industry materials and supplies (at cost)	23,496	25,547
Electric transmission equipment spare parts (at cost)	8,333	7,400
Uranium industry materials and supplies (at lower of cost and net realizable value)	2,701	3,374
Telecommunication equipment spare parts (at cost)	2,488	2,526
Aircraft spare parts (at cost)	–	1,560
Other materials and supplies (at lower of cost and net realizable value)	34,746	46,044
	1,029,992	1,008,646

As at December 31, 2024 carrying value of inventories under pledge as collateral amounted to 225,074 million tenge (December 31, 2023: 186,378 million tenge).

16. TRADE ACCOUNTS RECEIVABLE AND OTHER ASSETS

As at December 31 trade accounts receivable comprised the following:

In millions of tenge	2024	2023
Trade accounts receivable	1,514,191	1,366,846
Less: allowance for expected credit losses	(64,587)	(73,988)
	1,449,604	1,292,858

At December 31, 2024 the Group's receivables of 181,346 million tenge were pledged under certain Group borrowings (December 31, 2023: 197,651 million tenge).

As at December 31 other assets comprised the following:

In millions of tenge	2024	2023
Advances paid for non-current assets	932,933	899,680
Long-term VAT receivable	400,530	332,795
Assets under agency agreements	272,513	190,178
Other advances paid and deferred expenses	222,370	183,403
Other prepaid taxes	88,206	118,229
Long-term inventories	25,061	18,788
Non-financial assets for distribution to the Shareholder	20,149	–
Other	45,082	52,252
Less: impairment allowance	(153,329)	(128,957)
Total other assets	1,853,515	1,666,368
Less: current portion	(535,664)	(445,854)
Non-current portion	1,317,851	1,220,514

Assets under agency agreements are mainly represented by the funds of 272,513 million tenge transferred to the construction companies as part of the execution of contracts on comprehensive works and services for the construction of facilities within the framework of the pilot National project “Comfort School”, where the Group acts as an agent under IFRS 15 (as at December 31, 2023: 190,178 million tenge) (Note 24).

The Group revised the classification of assets related to corporate income tax withheld as at December 31, 2023 and reclassified the assets in the amount of 40,121 million tenge from other current assets to other non-current assets. This reclassification had no impact on the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows.

As of December 31, 2024, the Group completed the construction of the Sport Complex in Uralsk city which is the subject for further transfer to the Shareholder. On January 22, 2025, the Group carried out state registration of putting the facility into operation and ownership act.

Movements in the allowance for expected credit losses for trade accounts receivable for the years ended December 31 were as follows:

In millions of tenge	2024	2023
Allowance at January 1	73,988	62,147
Charged, net	(4,578)	31,303
Foreign exchange difference, net	2,300	(320)
Transfers to assets classified as held for sale or distribution to the Shareholder	(1,468)	(266)
Write-off	(6,014)	(18,855)
Other changes	359	(21)
Allowance at December 31	64,587	73,988

Movements in the impairment allowance for other current assets for the years ended December 31 were as follows:

In millions of tenge	2024	2023
Allowance at January 1	128,957	69,797
Charged, net	27,221	59,287
Foreign exchange difference, net	168	109
Transfers to assets classified as held for sale or distribution to the Shareholder	(1,219)	(84)
Write-off	(808)	(152)
Other changes	(990)	–
Allowance at December 31	153,329	128,957

17. CASH AND CASH EQUIVALENTS

As at December 31 cash and cash equivalents comprised the following:

In millions of tenge	2024	2023
Bank deposits – US dollars	1,018,564	816,838
Bank deposits – tenge	781,196	441,364
Bank deposits – other currency	64,303	79,121
Current accounts with banks – US dollars	496,029	467,059
Current accounts with banks – tenge	111,632	122,711
Current accounts with banks – other currency	24,415	16,271
Reverse repurchase agreements with contractual maturity of three months or less	367,286	465,653
Cash in accounts for servicing budget programs in accordance with the legislation of the RK	221,505	306,153
Cash on digital accounts	117,719	–
Balances on brokerage accounts payable on demand	706	10,119
Cash on hand	8,404	8,997
Cash in transit	2,140	6,461
Less: allowance for expected credit losses	(1,657)	(411)
	3,212,242	2,740,336

Within the framework of diversification, the Group continues to place part of its free liquidity in money market instruments, such as auto repo secured by government and other securities with maturities of up to 3 months.

As at December 31, 2024 cash on digital accounts represents programmable digital tenge for the modernisation of the Dostyk-Moiynty railway transport corridor.

At December 31, 2024, the Group had cash in the amount of 221,505 million tenge (at December 31, 2023: 306,153 million tenge) which is represented by a cash control account in the regional treasury department of the Ministry of Finance of RK opened with a purpose of the implementation of the pilot national project "Comfortable School" in the amount of 199,897 million tenge (at December 31, 2023: 306,153 million tenge) and the construction of an infrastructure facility for water treatment for the special economic zone "National Industrial Petrochemical Technopark" in the amount of 21,608 million tenge.

Short-term bank deposits are placed for varying periods of between 1 (one) day and 3 (three) months, depending on immediate cash needs of the Group. As at December 31, 2024 the weighted average interest rates for short-term bank deposits were 14.74% in tenge, 4.07% in US dollars, 5.18% in other currency; and current accounts were 1.53% in tenge, 2.67% in USD dollars, 1.88% in other currency, respectively (December 31, 2023: the weighted average interest rates for short-term bank deposits were 15.23% in tenge, 5.22% in US dollars, 5.97% in other currency; and current accounts were 3.74% in tenge, 4.24% in USD dollars, 0.74% in other currency, respectively).

18. EQUITY

18.1 SHARE CAPITAL

During 2024 and 2023 the Fund issued common shares, which were paid as follows:

	Number of shares authorized and issued	Par value per share, in tenge	Share capital in millions of tenge
Payment for shares			
As of January 1, 2023	3,481,961,409		5,268,819
Shares issued during the year:			
Shares issued and paid by contributions of state-owned interests in subsidiaries	1	89,206,406,162	89,206
	50	723,663,220	36,183
	40	586,110,925	23,445
	100	64,469,200	6,447
Shares issued and paid by contribution of property	1,000	16,915,397	16,915
	20	114,504,250	2,290
Shares issued and paid by cash	6,000	8,246,277	49,478
As of December 31, 2023	3,481,968,620		5,492,783
Shares issued during the period:			
Shares issued and paid by contributions of state-owned interests in subsidiary and joint venture	100	387,371,430	38,737
	100	92,941,670	9,294
	1	57,672,000	58
As of December 31, 2024	3,481,968,821		5,540,872

As at December 31, 2024: 3,481,968,821 shares of the Fund were fully paid (December 31, 2023: 3,481,968,620 shares).

Contribution of state-owned interests in subsidiary and joint venture

On January 24, 2024, the Fund issued 100 shares at par value of 387,371,430 tenge and 1 share at par value of 57,672,000 tenge for the total amount of 38,795 million tenge, which were paid off by the Shareholder by means of 100% of interest in authorized capital of GPCI (Note 6) and 50% of interest in authorized capital of "Soft Art" LLP (Note 11). The fair value of the investments was equal to the nominal amount of issued shares. The difference between the consideration transferred and the net assets of GPCI was recognized in retained earnings.

On September 27, 2024 the Fund issued 100 shares at par value of 92,941,670 tenge for the amount of 9,294 million tenge, which were paid off by the Shareholder by means of 100% of interest in authorized capital of Asiagas Chundzha in accordance with the Resolution of the Government of the RK (Note 6). The difference between the consideration transferred and the net assets of Asiagas Chundzha was recognized in retained earnings.

On April 19, 2023 the Fund issued 50 shares at par value of 723,663,220 tenge and 40 shares at par value of 586,110,925 tenge for the total amount of 59,628 million tenge, which were paid off by the Shareholder by means of 100% of interest in “AES Shulbinskaya GES” LLP (hereinafter – “Shulbinskaya GES”) and “AES Ust-Kamenogorskaya GES” LLP (hereinafter – “UK GES”) in accordance with the Resolution of the Government of the RK. In 2024 the Fund transferred these companies to the subsidiary, “Samruk-Energy” JSC (hereinafter – “Samruk-Energy”), as a contribution to the share capital.

Also, on September 12, 2023, the Fund issued 100 shares at par value of 64,469,200 tenge for the amount of 6,447 million tenge, which were paid off by the Shareholder by shares of National Geological Exploration Company “Kazgeology” (hereinafter – “Kazgeology”) in accordance with the Resolution of the Government of the RK. Shares of Kazgeology were transferred to the share capital of subsidiary TKS.

These transactions represent business combination of entities under common control and are accounted for retrospectively under the pooling of interest method based on the predecessor’s values. Accordingly, consolidated financial statements for 2023 were presented as if the interests of entities were transferred at the beginning of the earliest presented period. As a result of these transactions the share capital of the Fund was increased by 66,075 million tenge with respective decrease in the retained earnings in consolidated financial statements.

On September 12, 2023 in accordance with the Resolution of the Government of the RK the Shareholder transferred the 28.8% non-controlling interest in Kazakhtelecom JSC to the Fund as a payment for the share issued at par value of 89,206,406,162 tenge, as a result of which the Group’s share in Kazakhtelecom JSC increased to 80.85%. Fair value of the transferred shares is 89,206 million tenge. As a result of this transaction the difference of acquired the non-controlling interest of 235,168 million tenge and fair value of transferred shares of 89,206 million tenge was recognized as an increase of retained earnings of 145,962 million tenge in the consolidated statement of changes in equity.

Property contributions

On April 14 and August 9, 2023 the Fund issued 1,000 shares at par value of 16,915,397 tenge and 20 shares at par value of 114,504,250 tenge, which were paid off by the Shareholder by an immovable properties with a fair value of 19,205 million tenge. These properties was transferred to the share capital of subsidiaries Qazaq Gas and Samruk-Energy.

Cash contributions

In November 2023, the Shareholder made cash contributions to the Fund’s share capital of 49,478 million tenge. These amounts were aimed to finance the project “Construction of Infrastructure facilities on the territory of SEZ “National Industrial Petrochemical Technopark” (Note 17).

18.2 ADDITIONAL PAID-IN CAPITAL

During 2024, the Fund received republican property in the form of gas supply facilities in the total amount of 243,931 million tenge from the Shareholder as the payment for future issued shares of the Fund. As of December 31, 2024, the property was recognized as additional paid-in capital.

18.3 DIVIDENDS

Dividends attributable to equity holder of the Parent

During 2024 in accordance with the Resolutions of the Government of the RK the Fund declared and paid dividends to the Shareholder in the total amount of 736,819 million tenge from retained earnings of 2022 and 2023.

On December 26, 2023 according to the Resolution of the Government of the RK dated December 19, 2023 the Fund declared and paid dividends to the Shareholder of 238,027 million tenge on financial results for 2022.

During the period of October to November, 2023, according to the Resolution of the Government of the RK dated October 20, 2023 the Fund paid dividends to the Shareholder of 1,026,726 million tenge from the retained earnings of 2021.

On April 4, 2023 Shulbinskaya GES and UK GES paid dividends to the Shareholder in the amount of 2,227 million tenge and 1,872 million tenge, respectively, based on financial results of 2022.

Due to the fact that these subsidiaries of the Group were transferred to the Group on April 19, 2023, and these transfers represented business combination of entities under common control, dividends paid to the Shareholder by these companies were reflected as dividends attributable to equity holder of the Parent in the consolidated statement of changes in equity.

Dividends attributable to non-controlling interests

During 2024 the Group declared dividends of 313,079 million tenge to the holders of non-controlling interests in groups of National Atomic Company “Kazatomprom” JSC (“NAC KAP”), NC KMG, Kazakhtelecom JSC (“KTC”), Kazakhstan Electricity Grid Operating Company JSC (“KEGOC”), NC KTZh and “Samruk-Kazyna Business Service” LLP. Total amount of dividends paid to the holders of non-controlling interests during in 2024 equaled 313,311 million tenge.

During 2023 the Group declared dividends of 172,201 million tenge to the holders of non-controlling interests in groups of NAC KAP, NC KMG, KTC, “Air Astana” JSC, KEGOC, NC KTZh, “Samruk-Kazyna Business Service” LLP and “Samruk-Kazyna Ondeu” LLP (“SKO”). Total amount of dividends paid to the holders of non-controlling interests during 2023 equaled 173,976 million tenge.

18.4 DISTRIBUTIONS TO THE PUBLIC FOUNDATION “QAZAQSTAN HALQYNA”

In accordance with Article 20 of the Law of the RK “On the National Welfare Fund”, the Fund annually allocates funds to a non-profit organization represented by the public foundation “Qazaqstan halqyna” (hereinafter – “Public Foundation”) in the amount of not less than 7% of the Fund’s net income according to separate financial statements. According to the Shareholder’s resolution, the Fund has recognized an obligation to allocate funds to the Public Foundation in the amount of 50,000 million tenge (in 2023: 66,614 million tenge). During 2024 the Fund transferred the funds to the Public Foundation in the amount of 45,964 million tenge (during 2023: 20,650 million tenge).

18.5 OTHER DISTRIBUTIONS TO THE SHAREHOLDER

Social projects financing

During 2024 in accordance with the Shareholder's resolution, the Fund recognised liabilities for financing of gasification projects of settlements of RK for the amount 105,094 million tenge as other distributions to the Shareholder in the consolidated statement of changes in equity. As at December 31, 2024 the Fund fully repaid these liabilities.

Also, during 2024 in accordance with the Shareholder's resolutions, the Fund recognized liabilities for financing of various social projects, including financing of the projects aimed at the development of physical culture and sports of RK in the total amount of 30,736 million tenge (during 2023: 32,730 million tenge). As at December 31, 2024 the Fund repaid these liabilities in the total amount of 32,779 million tenge (2023: 32,730 million tenge).

Financing construction of social facilities

During 2024 in accordance with the Shareholder's resolutions, the Fund recognised liabilities for financing construction of social facilities in the total amount of 60,580 million tenge as other distribution to the Shareholder in the consolidated statement of changes in equity. As of December 31, 2024 the Group made repayment of these liabilities in the total amount of 10,579 million tenge.

During 2022, in accordance with the Shareholder's resolutions, the Fund recognized liabilities for financing of the construction of National coordination center for emergency medicine in Astana city with 200 beds and National Scientific Center of infectious diseases in Almaty city with 350 beds in the amount of 166,867 million tenge. During 2024 the Group made repayment of liabilities in the amount of 40,571 million tenge (during 2023: 44,792 million tenge).

During 2023, in accordance with the Shareholder's resolution on the construction of a Perinatal center in Astana, the Group recognised liabilities of 65,000 million tenge as other distributions to the Shareholder in the consolidated statement of changes in equity. As of December 31, 2023 the Group made repayment of liabilities in the amount of 19,149 million tenge.

18.6 OTHER TRANSACTIONS WITH THE SHAREHOLDER

"Kazakhstan Housing Company" JSC (hereinafter – "KHC")

On May 6, 2024, the Fund and KHC concluded credit line agreement in the amount up to 272,000 million tenge with an interest rate of 0.01% per annum and a repayment period of 10 years in order to finance the project according to the Decree of the Government of the RK. At the same date the Fund recognized a commitment to provide a loan to KHC at below market rate with fair value of 172,009 million tenge. The loan commitment determined as a difference between the fair value of the unused credit limit and its nominal value was recognized as a decrease in equity within other transactions with the Shareholder in the consolidated statement of changes in equity.

In 2024, the Fund provided loan in the full amount of 272,000 million tenge and recognized respective decrease in the loan commitment of 168,134 million tenge. Difference between the amount of initial recognition of the loan obligation and the subsequent reduction of the obligation due to the utilization of the credit line was recognized as amortization of the loan obligation in the amount of 3,875 million tenge as part of interest income in the statement of comprehensive income.

Construction of the multifunctional sport and recreation complex in Uralsk

During 2023 in accordance with the Order of the President of the RK on the construction of the multifunctional sport and recreation complex in Uralsk (hereinafter – "the Sport Complex") as a result of his working visit to the West Kazakhstan region dated March 9, 2023, the Group recognized an obligation for the construction of the Sport Complex for the total amount of 17,925 million tenge and reflected it in the consolidated statement of changes in equity. In 2024 the Group increased the accrual of the liability on construction by 1,989 million tenge (Note 21).

As of December 31, 2024, the Group completed the construction of the Sport Complex in Uralsk. On January 22, 2025, the Group carried out state registration of putting the facility into operation and ownership act. As of December 31, 2024, the Group offset the accrued liability in the amount of 19,914 million tenge with the carrying amount of Sport Complex (Notes 16, 21).

Financing of the Akimat of Astana

In accordance with the Shareholder's resolution, in September 2024 the Fund recognized an obligation to finance the Akimat of the city of Astana for implementation of infrastructure projects in Astana in the amount of 35,029 million tenge. As of December 31, 2024 the Group fully repaid these liabilities.

Capital repair of Ekibastuz TPP

In 2024 in accordance with Government's instruction, for the purpose of ensuring uninterrupted heat supply to the population of the city of Ekibastuz, the Group recognized the liability on capital repair of Ekibastuz TPP in the amount of 12,597 million tenge and reflected it in the consolidated statement of changes in equity (Note 21).

18.7 TRANSFER OF ASSETS TO THE SHAREHOLDER

In 2024 in accordance with the Shareholder's resolution the Group recognized obligation on transfer of movable and immovable assets with the book value of 14,848 million tenge as transfer of assets to the Shareholder in the consolidated statement of changes in equity (Note 24). During 2024 the Group transferred movable and immovable assets with the book value of 12,370 million tenge.

In 2023 in accordance with the Shareholder's order, the Group transferred an immovable property with the carrying amount of 3,796 million tenge to the President's Affairs Administration of the RK. This transaction was reflected as a transfer of assets to the Shareholder in the consolidated statement of changes in equity.

18.8 DISCOUNT ON LOANS FROM THE GOVERNMENT

During 2024, the Fund placed bonds in the amount of 238,256 million tenge. The difference between nominal and fair value in the amount of 49,204 million tenge was recognized as a discount on loans from the Government in the consolidated statement of changes in equity (Note 20).

During 2023, the Fund placed bonds in the amount of 173,709 million tenge. The difference between nominal and fair value in the amount of 38,435 million tenge was recognized as a discount on loans from the Government in the consolidated statement of changes in equity (Note 20).

During 2023, the Fund received loan in the amount of 162,600 million tenge. The difference between nominal and fair value in the amount of 139,497 million tenge was recognized as a discount on loans from the Government in the consolidated statement of changes in equity (Note 20).

18.9 CHANGE IN OWNERSHIP INTERESTS OF SUBSIDIARIES – DISPOSAL OF INTEREST THAT DOES NOT RESULT IN THE LOSS OF CONTROL

NAC KAP

In accordance with the Shareholder’s resolution, in July 2024 the Fund sold 12.01% shares of NAC KAP to the National Fund of the RK (trustee manager of the "National Bank of the RK"). As a result of the deal the Fund received proceeds of 467,423 million tenge, non-controlling interests increased by 169,024 million tenge, and the difference of 327 million tenge and 298,726 million tenge was recognized as decrease of revaluation reserve of investments at fair value through other comprehensive income and increase of retained earnings, respectively.

NC KMG

In 2023 the Fund sold 20% shares of KMG to the “National Bank of the Republic of Kazakhstan” in the amount of 1,300,000 million tenge. As a result of the deal the Fund received proceeds of 1,300,000 million tenge, non-controlling interests increased by 2,096,861 million tenge, and the difference of 842,858 million tenge and 45,821 million tenge was recognized as decrease of currency translation reserve and increase of retained earnings attributable to the equity holder of the Parent, respectively.

KEGOC

In November 2023 as part of the SPO (secondary public offering) program, KEGOC conducted a secondary placement of ordinary shares totaling 15,294,118 shares at a price of 1,482 tenge on organized securities markets (KASE and AIX).

As a result of the secondary placement of shares, the Group received an amount of 22,123 million tenge, after deducting transaction expenses totaling 543 million tenge. The non-controlling interest increased by 16,916 million tenge, and the difference was recognized as an increase in retained earnings in the amount of 5,207 million tenge.

18.10 NON-CONTROLLING INTERESTS

The following tables illustrate information of subsidiaries in which there is significant non-controlling interests as at December 31:

In millions of tenge	2024		2023	
	Share	Carrying amount	Share	Carrying amount
NC KazMunayGas JSC	32.58%	3,810,913	32.58%	3,320,199
NAC Kazatomprom JSC	37.01%	1,715,446	25.00%	862,335
Kazakhtelecom JSC	19.15%	241,995	19.15%	229,731
KEGOC JSC	15%	62,304	15%	55,160
Air Astana JSC	–	–	49.00%	47,522
Other		158,672		94,304
		5,989,330		4,609,251

All significant subsidiaries with non-controlling interests are registered in Kazakhstan.

The following tables illustrate summarized financial information of subsidiaries, in which there are significant non-controlling interests as at December 31, 2024 and for the year then ended:

In millions of tenge	NC KazMunay-Gas JSC	Kazatomprom NAC JSC	Kazakhtelecom JSC	KEGOC JSC
Summarized statement of financial position				
Non-current assets	14,928,977	2,195,342	869,853	516,984
Current assets	4,005,670	1,626,539	773,568	136,886
Non-current liabilities	5,566,680	403,345	315,938	200,594
Current liabilities	1,443,683	420,985	472,637	37,914
Total equity	11,924,284	2,997,551	854,846	415,362
Attributable to:				
Equity holder of the Parent	8,113,371	1,282,105	612,851	353,058
Non-controlling interests	3,810,913	1,715,446	241,995	62,304
Summarized statement of comprehensive income				
Revenue	8,330,261	1,813,352	731,118	319,906
Profit for the year	1,094,247	1,132,115	77,231	92,199
Other comprehensive income/(loss)	1,042,821	853	(3,064)	–
Total comprehensive income for the year, net of tax	2,137,068	1,132,968	74,167	92,199
Attributable to:				
Equity holder of the Parent	2,136,253	873,133	71,121	92,199
Non-controlling interests	815	259,835	3,046	–
Dividends declared to non-controlling interests	100,546	198,608	4,836	6,685
Summarised cash flow information				
Operating activity	1,064,031	516,487	199,578	106,359
Investing activity	(263,134)	(42,415)	(242,358)	(53,687)
Financing activity	(780,560)	(415,264)	(5,065)	(46,145)
Net increase/(decrease) in cash and cash equivalents	20,337	58,808	(47,845)	6,527

The following tables illustrate summarized financial information of subsidiaries, in which there are significant non-controlling interests as at December 31, 2023 and for the year then ended:

In millions of tenge	NC KazMunay-Gas JSC	Kazatomprom NAC JSC	Kazakhtelecom JSC	KEGOC JSC	Air Astana JSC
Summarized statement of financial position					
Non-current assets	13,504,064	1,308,584	1,265,576	483,938	430,146
Current assets	3,437,037	1,290,708	217,424	120,371	189,166
Non-current liabilities	5,010,269	160,213	390,631	198,049	315,072
Current liabilities	1,534,218	430,812	288,706	38,527	207,256
Total equity	10,396,614	2,008,267	803,663	367,733	96,984
Attributable to:					
Equity holder of the Parent	7,076,415	1,145,932	573,932	312,573	49,462
Non-controlling interests	3,320,199	862,335	229,731	55,160	47,522
Summarized statement of comprehensive income					
Revenue	8,319,543	1,434,635	669,468	252,136	533,071
Profit for the year	926,678	580,335	104,403	71,563	30,739
Other comprehensive (loss)/income	(117,847)	(357)	1,998	–	3,315
Total comprehensive income for the year, net of tax	808,831	579,978	106,401	71,563	34,054
Attributable to:					
Equity holder of the Parent	845,194	418,835	95,065	71,563	34,054
Non-controlling interests	(36,363)	161,143	11,336	–	–
Dividends declared to non-controlling interests	39,226	117,174	7,048	3,336	3,683
Summarised cash flow information					
Operating activity	966,144	432,225	240,883	67,265	122,738
Investing activity	(53,771)	(61,200)	(403,934)	(28,064)	(20,994)
Financing activity	(608,388)	(319,425)	(3,019)	(21,385)	(91,459)
Net increase/(decrease) in cash and cash equivalents	303,985	51,600	(166,070)	17,816	10,285

18.11 CURRENCY TRANSLATION RESERVE

The currency translation reserve is used to record exchange differences arising from the translation of financial statements of the subsidiaries, whose functional currency is not tenge and whose financial statements are included in the consolidated financial statements. In 2024 foreign translation difference amounted to 1,209,829 million tenge before tax of 90,712 million tenge (2023: 158,461 million tenge before tax of 11,101 million tenge).

Certain borrowings of the Group denominated in US dollars were designated as hedge instrument for the net investment in the foreign operations. As at December 31, 2024 unrealized foreign currency loss of 363,581 million tenge resulting from translation of these borrowings were transferred to currency translation reserve recognized in other comprehensive income (2023: gain of 46,478 million tenge).

18.12 HEDGE RESERVE

NC KMG

The Group buys crude oil from the market, refines it and later sells the finished products (e.g.: gasoline, diesel, jet fuel etc.). Throughout a given period, the volatility associated with the oil market, both in crudes and in finished products, is transmitted to the Group's refinery margin (difference between the purchase price of crude oil and the selling price of finished products). To reduce this volatility, the Group hedges the margin with a swap on a hedged basket as relevant for the period.

For the year ended December 31, 2024, the effective part of 1,464 million tenge was recorded in the cash flow hedging reserve through other comprehensive income as net fair value loss on cash flow hedging instruments (for the year ended December 31, 2023: 849 million tenge as net fair value gain on cash flow hedging instruments). Hedge expense attributable to non-controlling interests comprised 477 million tenge (2023: hedge income attributable to non-controlling interests of 101 million tenge).

NC KTZh

During 2024, the Group implemented a cash flow hedge to reduce the risk of changes in tenge equivalent revenue from freight transit transportation denominated in Swiss Francs. To confirm highly probable transactions, the Group relied on the existence of a history of cash flows from freight transit transportation in Swiss Francs, sufficient infrastructure, as well as a favourable geographical location for freight transit transportation. The Group has a monopoly in terms of access to the main railway network and dominates in freight transportation services.

The principal debt of the Group's loans of 1,070 million Swiss Francs, with fixed repayment schedules fully consistent with projected freight transit revenue flows in Swiss Francs, is a hedging instrument that is separately identifiable and reliably measurable. As at 31 December 2024, the carrying value of these loans amounted to 598,982 million tenge. The hedged item in this respect is the highly probable revenue from transit transportation of 1,070 million Swiss Francs for the period from November 21, 2024 to November 15, 2034, of which 139 million Swiss Francs are repayable in 2025. At the commencement date of the hedging relationship, the hedge effectiveness has been confirmed at 100%, reflecting full compliance with the terms of the instruments and the hedged items.

As at December 31, 2024, the effective portion of 20,399 million tenge was allocated to the hedge reserve in other comprehensive income as fair value loss arising on cash flow hedging instruments. The deferred tax effect amounted to 4,080 million tenge.

In December 2024, the revenue from freight transportation in international (transit) route, which is the cash flow hedged item, was received, and respectively, the accumulated loss of 412 million tenge attributable to the hedging instrument was reclassified from other comprehensive income to revenue from freight transportation. The deferred tax effect amounted to 82 million tenge.

Air Astana JSC

In 2015 Air Astana JSC entered into a cash flow hedge with finance lease obligations denominated in US dollars, to reduce the risk of changes in sales revenue expressed in US dollars. In connection with the transition of the functional currency to US dollar, this hedge ceased to be economically effective from December 31, 2017.

As a result of the change, the hedge relationship has been discontinued so that starting from January 1, 2018 no further foreign currency translation gains or losses are transferred from profit or loss to hedge reserve, and the hedge reserve recognized in equity as at December 31, 2022 shall remain in equity until the forecasted revenue cash flows are received.

During 2023 amount reclassified from the hedging reserve to foreign exchange loss from inception of the hedge was 5,191 million tenge before tax of 1,038 million tenge. Hedge income attributable to non-controlling interests comprised 2,544 million tenge before tax of 509 million tenge.

18.13 OTHER CAPITAL RESERVES

Other capital reserves include mainly remuneration of employees for the services rendered in the form of share-based payments with equity instruments of a subsidiary in which they are employed. The cost of equity-settled remunerations is recognized, together with a corresponding increase in other capital reserves, over the period in which performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award.

18.14 BOOK VALUE AND EARNINGS PER SHARE

In accordance with the decision of the Exchange Board of KASE dated October 4, 2010 financial statements shall disclose book value per share (common and preferred) as of the reporting date, calculated in accordance with the KASE rules.

In millions of tenge	2024	2023 (restated)*
Total assets	41,099,656	36,924,734
Less: intangible assets	(2,499,343)	(2,026,102)
Less: total liabilities	(15,506,172)	(15,185,202)
Net assets for common shares	23,094,141	19,713,430
Number of common shares as at December 31	3,481,968,821	3,481,968,620
Book value per common share, tenge	6,632	5,662
Earnings per share		
Net profit for the year attributable to Equity holder of the Parent	2,354,397	1,699,569
Weighted average number of common shares for basic and diluted earnings per share	3,481,968,741	3,481,963,068
Basic and diluted share in net profit for the period attributable to Equity holder of the Parent	676.17	488.11

* Presentation of book value per common share is a non-IFRS measure required by KASE.

Basic earnings per share is calculated by dividing the profit or loss attributable to Equity holder of the Parent by the weighted average number of common shares during the year. The Group has no dilutive potential common shares, therefore, the diluted earnings per share equals the basic earnings per share.

19. BORROWINGS

As at December 31 borrowings, including interest payable, comprised the following:

In millions of tenge	2024	Weighted average effective rate	2023	Weighted average effective rate
Fixed interest rate borrowings	4,712,432		4,840,980	
Loans received	816,521	9.87%	902,851	11.71%
Debt securities issued	3,895,911	6.11%	3,938,129	6.11%
Floating interest rate borrowings	1,955,736		1,522,922	
Loans received	1,818,519	8.09%	1,252,063	9.44%
Debt securities issued	137,217	15.45%	270,859	18.82%
	6,668,168		6,363,902	
Less: amounts due for settlement within 12 months	(836,272)		(980,684)	
Amounts due for settlement after 12 months	5,831,896		5,383,218	

In millions of tenge	2024	2023
US dollar-denominated borrowings	3,652,455	3,682,629
Tenge-denominated borrowings	1,928,150	2,137,211
Swiss francs-denominated borrowings	687,822	256,070
Euro-denominated borrowings	309,261	223,659
Rubles-denominated borrowings	79,276	51,207
Other currency-denominated borrowings	11,204	13,126
	6,668,168	6,363,902

As at December 31, the bonds comprised:

In millions of tenge	Issuance amount	Redemption date	Effective interest rate	2024	2023
Bonds					
Bonds LSE 2018	1.5 billion USD	2048	6.375%	778,795	669,582
Bonds LSE 2018	1.25 billion USD	2030	5.375%	644,556	562,142
Bonds LSE 2017	1.25 billion USD	2047	5.75%	639,143	552,309
Bonds LSE 2020	750 million USD	2033	3.50%	389,109	336,780
Bonds ISE 2017	750 million USD	2027	4.60%	373,513	323,208
Bonds KASE 2019	0.3 billion KZT	2034	11.50%	308,433	308,433
Bonds LSE 2021	500 million USD	2026	2.36%	261,878	225,947
Bonds LSE 2017	1 billion USD	2027	4.75%	131,604	454,060
Bonds KASE 2019	80 billion KZT	2026	11.86%	80,280	80,262
Bonds KASE 2016	50 billion KZT	2026	Inflation rate + 2.52%	54,090	56,302
Bonds KASE 2016	47.5 billion KZT	2031	Inflation rate + 2.9%	50,830	52,769
Bonds KASE 2022	118.9 billion KZT	2024	TONIA Compounded 6M + 3% margin	–	129,491
Bonds KASE 2019	70 billion KZT	2024	4%	–	82,746
Bonds KASE 2018	75 billion KZT	2024	9.25%	–	76,831
Other	–	–	–	320,897	298,126
Total				4,033,128	4,208,988

Loans received

In 2024, the Group partially repaid a syndicated loan for a total amount of 71.88 million US dollars (equivalent to 33,735 million tenge), including interest.

In 2024, the Group received a loan from Bank of Tokyo-Mitsubishi UFJ, Ltd. for a total amount of 35.91 million US dollars (equivalent to 16,854 million tenge) at a COF rate of (4.33%) + 1.50% and maturing by the end of 2025 to finance working capital.

In 2024, the Group, received a loan from JSC "Halyk Bank of Kazakhstan" ("Halyk Bank") for a total amount of 48,246 million tenge at a Base rate of National Bank of RK + 1.50% and maturing by the end of 2032 for the construction of Oil and Gas Refinery plant.

In 2024, based on the notification of the Ministry of Energy of the RK on the termination of the contract for subsoil use under the Zhenis project, the Group derecognized the loan received from Lukoil Kazakhstan Upstream (carry-financing) in the amount of 48,432 million tenge (Note 31).

In 2024, the Group partially repaid a loan from JSC "Development Bank of Kazakhstan" ("DBK") for a total amount of 46,688 million tenge, including interest.

In July 2024, the Group, within the framework of a master agreement with Citibank Kazakhstan on short-term loans, concluded on November 30, 2009, received borrowings in the total amount of 14,000 million tenge with an interest rate of 15% and up to six months maturity. In December 2024, the Group signed an additional agreement to extend the maturity until July 2025 and to change the interest rate from 15% to 16.5%.

In 2024, under the credit line agreement with ForteBank JSC concluded on June 13, 2022, the Group received 97,000 million tenge with an interest rate of 15.75% to 16.75% and up to six months maturity. The Group made full/partial early repayment of loans received in the amount of 55,000 million tenge.

In 2024, the Group, under the master framework agreement with Societe Generale and Natixis under the guarantee of export credit agency BPIfrance dated February 23, 2023 to finance the acquisition of freight and passenger locomotives for a total amount of 627 million euros, borrowed 134 million euros (equivalent to 67,738 million tenge) (in 2023: 329 million euros (equivalent to 162,473 million tenge) (including the BPIfrance premium)). Loan interest is paid semi-annually at Euribor 6m + 1.15%. Principal is repaid semi-annually until full repayment in 2035.

In 2024, the Group, under the credit line agreement with Halyk Bank, concluded on February 26, 2015, borrowed 97,000 million tenge with an interest rate of 15.75% to 17.25% and a maturity of up to one year. The Group has made full/partial early repayment of loans received in the total amount of 78,000 million tenge.

In 2024, the Group under the loan agreement with Eurasian Development Bank ("EDB") dated May 11, 2023 to finance the acquisition of freight diesel locomotives for a total amount of 17,685 million russian roubles borrowed 7,640 million russian roubles (equivalent to 37,956 million tenge) (in 2023: 10.045 million russian roubles (equivalent to 50,345 million tenge)). Loan interest is paid semi-annually at 7.8%. Principal is repaid semi-annually until full repayment in 2034.

In 2024, the Group, under the credit line agreement with Citibank, dated April 4, 2024, borrowed funds in the total amount of 150 million Swiss francs (equivalent to 77,828 million tenge) with an interest rate from 3.21% to 3.4% and a repayment period of up to one year.

In 2024, the Group, under a loan agreement with Citibank under the guarantee of Export-Import Bank of the United States (US EXIM Bank), dated May 7, 2024, to finance the acquisition of freight and passenger locomotives for a total amount of 593,952,912 US Dollars in Swiss Francs equivalent, borrowed 443,076,513 swiss francs (equivalent to 234,670 million tenge) (including the US EXIM Bank premium). Loan interest is repaid quarterly at SARON 3m + 0.75% margin. The principal is repayable quarterly until full repayment in 2034.

In July 2024, the Group, under the credit line agreement with European Bank for Reconstruction and Development ("EBRD"), dated July 4, 2024, borrowed funds in the total amount of 200 million swiss francs (equivalent to 107,986 million tenge). Interest is repaid semi-annually at SARON 6m + 1.80% margin. The principal is repayable semi-annually until full repayment in 2029.

In 2024, the Group, under the loan agreement with the EBRD signed on November 25, 2022, for the amount of 130 million tenge with an interest rate of the 6-month TONIA Compounded Rate + 1%, utilized loan funds in the total amount of 44,173 million tenge

On December 18, 2024, the Group, under the agreement with the EBRD signed for the construction of the mining and processing plant on December 30, 2016, made an early repayment of the loan in the amount of 124,158 thousand US dollars (equivalent to 64,804 million tenge), including interest for 2024 in the amount of 4,549 million tenge (for 2023: 2,856 million tenge).

In 2024, the Group, under the credit line agreement with Halyk Bank, concluded on October 22, 2022, made an early full repayment of borrowings received of 60,540 million tenge.

In 2024, the Group, under the credit line agreement with Halyk Bank, concluded on October 20, 2022, made an early partial repayment of borrowings received of 9,198 million tenge.

In December 2024, under the credit line agreement with Halyk Bank to finance the construction of a power plant based on a combined cycle gas plant in the Turkestan region dated June 7, 2022, the Group received the second tranche in the amount of 100,828 million tenge with an interest rate equal to the Halyk Bank bond yield plus 2% per annum for the term of the bond circulation, which is 7 years (in 2023 received 138,172 million tenge with an interest rate equal to the base rate of the National Bank of the RK plus 2.5% per annum).

In 2023, the Group received Syndicated loan (Unicredit Tiriak Bank, ING Bank, BCR, Raiffeisen Bank) used to finance its working capital for the total amount of 307 million US dollars (equivalent to 140,232 million tenge), on a net basis.

In 2023, the Group received a loan from Bank of Tokyo-Mitsubishi UFJ. Ltd to finance working capital in the amount of 101 million US dollars (equivalent to 45,855 million tenge), on a net basis, at the rate of COF (5.37%) + 1.80% per annum and maturity in 2024.

In 2023, the Group made full repayment of the loan from VTB Bank (PJSC) in the amount of 58,010 million Russian Roubles (equivalent to 294,841 million tenge), including interest.

In November 2023, the Group under the credit agreement with Citibank and Santander and the guarantee of MIGA, dated September 19, 2023 to finance the acquisition of electric locomotives, passenger carriages, capital and current repairs of railway tracks, borrowed 513 million Swiss francs (equivalent to 264,633 million tenge) (including the MIGA premium). Loan interest is paid semi-annually at SARON 6m + 0.95%. Principal is repaid semi-annually until full repayment in 2033. The grace period for repayment of principal debt is 1 year.

In 2023, a subsidiary of the Group, Atyrau Refinery LLP (further Atyrau refinery), partially repaid loans from Halyk Bank for a total amount of 102,674 million tenge, respectively, including interest.

In 2023, based on the notification of the Ministry of Energy of RK on the termination of the subsoil use contract, the Group derecognized the loan of Eni Isatai B.V. for the Isatai project in the amount of 4,377 million tenge (Note 31).

Debt securities issued

On September 12, 2024, the Group made a partial early repayment of bonds maturing in 2027 in the amount of 750 million US dollars (equivalent to 358,171 million tenge).

On April 26, 2023, the Group made an early repayment of Eurobonds in the amount of 501 million US dollars (equivalent to 227,520 million tenge), including premium for early repayment and coupon payment with an interest rate of 4.75% and maturity in 2025.

State subsidy of the interest rate

In May 2020, the Group, entered into a contract with the Ministry of Industry and Construction of the RK to subsidise part of the coupon rate in the amount of 307,194 million tenge, on bonds issued in 2019 at the coupon rate of 11.5% per annum and used for early repayment of Eurobonds issued in 2017 in the amount of 780 million US Dollars, which in turn were attracted and utilised for infrastructure modernisation, updating locomotives and freight carriages. The agreement stipulates that the amount of subsidy should be provided for under the republican budget program “Subsidising the coupon rate on the carrier’s bonds issued for the development of the main railway network and rolling stock of railway transport” (hereinafter – “the Program”). Since the budget Program is available to all transportation companies that have the status of a “carrier” in accordance with the Law on Railway Transport, the Group’s management accounts for the financing under this Program as a government grant recognised within finance income.

In 2024, the Group recognised income from government subsidies under the Program in the amount of 22,300 million tenge as part of finance income (Note 31).

Covenants

The carrying value of the Group’s non-current borrowings include borrowings amounting to 5,698,779 million tenge that contain certain financial and non-financial covenants, which, if not met, would result in the borrowings becoming repayable on demand. These borrowings are otherwise repayable more than twelve months after the end of reporting period. The Group reviews compliance with all the Group loan covenants at each reporting date. As at December 31, 2024 the respective subsidiaries of the Group complied with all the covenants that were required to be met on or before December 31, 2024, except those mentioned below.

Loan received from Halyk Bank

In March 2022, the Group represented by its subsidiary JV Alaigyr LLP entered into a credit line agreement with Halyk Bank of Kazakhstan JSC for a total amount of 56,000 thousand US dollars. Repayment of interest and principal on the credit line is made monthly, while the principal debt is paid starting from 2024.

In accordance with the terms of the credit line, JV Alaigyr LLP has certain financial and non-financial covenants that were not complied with as of December 31, 2024, and December 31, 2023. Due to the right to early reclaim, the loan was classified as short-term. During 2024, the Group fulfilled its obligations for the payment of the principal and interest.

In January 2025, the JV Alaigyr LLP made a full early repayment of the loan received from Halyk Bank.

Loan received from EBRD

The Group, represented by its subsidiary ShalkiyaZinc LTD JSC, has a credit line from the EBRD in the amount of 175 million US dollars at the SOFR rate + 2.5% per annum with repayment of the principal amount in equal semi-annual payments from 2025 and interest in semi-annual payments from 2021.

In accordance with the terms of the agreement, the Group must comply with the covenants throughout the term of the agreement. During 2024 and 2023, the Group failed to comply with the terms of contract

liabilities on the conclusion of the contract for the construction of the mining and processing plant, the contract for the construction of the tailings storage facility, the contract for the construction of the surface complex with infrastructure and the contract for the supply of mining equipment.

On December 18, 2024, the agreement with the EBRD was terminated early, and the loan, including accrued interest, in the amount of 124,158 thousand US dollars (equivalent to 64,804 million tenge) was fully repaid.

In millions of tenge	2024	2023
NC KMG and its subsidiaries	3,261,602	3,281,937
NC KTZh and its subsidiaries	1,650,814	1,348,931
Qazaq Gaz and its subsidiaries	396,116	375,947
The Fund	368,455	346,741
CCGT Turkistan LLP	275,017	156,521
Samruk-Energy and its subsidiaries	253,055	190,448
KEGOC and its subsidiaries	161,581	163,535
Kazakhtelecom and its subsidiaries	108,399	248,820
EGRES-2	100,744	97,017
NAC KAP and its subsidiaries	44,228	86,252
NMC TKS and subsidiaries	20,365	66,772
Other subsidiaries of the Fund	27,792	981
Total borrowings	6,668,168	6,363,902

Changes in borrowings are as follows:

In millions of tenge	2024	2023
Balance as at January 1	6,363,902	6,667,675
Received by cash*	1,455,334	1,218,171
Interest accrued	408,497	465,318
Discount	(32,829)	(1,090)
Interest capitalized (Note 8)	72,229	64,557
Interest paid	(452,254)	(503,416)
Repayment of principal*	(1,759,390)	(1,535,865)
Purchase of property plant and equipment financed by borrowings	67,738	114,106
Transfer to assets classified as held for sale or distribution to the Shareholder (Note 7)	(48,170)	(187)
Amortization of discount	26,729	19,948
Foreign currency translation	584,795	(132,183)
Derecognition of loan (Note 31)	(48,442)	(4,377)
Acquisition through business combinations (Note 5)	29,118	–
Other	911	(8,755)
Balance as at December 31	6,668,168	6,363,902

* The amounts are not reconciled to cash flows shown within financing activities of the consolidated statement of cash flows, as do not contain the changes with respect to liabilities associated with assets classified as held for sale.

20. LOANS FROM THE GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN

As at December 31 loans from the Government of the Republic of Kazakhstan comprised the following:

In millions of tenge	Redemption date	Effective interest rate	2024	2023
Bonds acquired by the National Bank of the Republic of Kazakhstan using the assets of the National Fund	2026-2063	5.56%-15.25%	1,053,179	836,941
Loans from the Government of the Republic of Kazakhstan	2029-2053	5.96-11.59%	33,893	35,905
			1,087,072	872,846
Less: amounts due for settlement within 12 months			(12,204)	(11,028)
Amounts due for settlement after 12 months			1,074,868	861,818

The change in loans from the Government of the Republic of Kazakhstan are represented as follows:

In millions of tenge	2024	2023
Balance as at 1 January	872,846	683,604
Received by cash	238,256	336,309
Interest accrued	11,787	13,758
Interest capitalized (Note 8)	34,869	19,621
Discount (Note 18.8)	(49,204)	(177,932)
Interest paid*	(44,636)	(26,696)
Repayment of principal	(7,097)	(891)
Amortisation of discount	30,251	25,073
Balance as at 31 December	1,087,072	872,846

* Cash repayments of certain borrowings obtained by the Fund are included within cash flows from operating activities because these borrowings are part of the Fund's main activity of assets management.

Bonds acquired by the National Bank of the RK

In December 2022, the Fund's bond issue was registered in the amount of 542,863 million tenge, with an annual coupon of 7.37% per annum. During 2024 the Fund placed bonds in the total amount of 163,969 million tenge (2023: 173,709 million tenge) for financing the construction of the second tracks of the Dostyk-Moiynty railway section, aimed at increasing the transit and export potential of the country. The bonds were purchased by the National Bank of the RK funded by the National Fund. The fair value of consideration received was 130,444 million tenge (2023: 135,274 million tenge). The difference between nominal and fair value of the bond in the amount of 33,525 million tenge (2023: 38,435 million tenge) was recognized as a discount on loan from the Government in the consolidated statement of changes in equity (Note 18.8).

In 2024, the Fund placed bonds in the total amount of 74,287 million tenge with an annual coupon of 9.25% per annum. The bonds were purchased by the National Bank of the RK using funds from the National Fund. The funds raised from the issuance of these bonds were directed towards financing the construction of the "Taldykorgan-Usharal" main gas pipeline. The fair value of the received funds amounted to 58,608 million tenge. The difference between the nominal and fair value of the bonds, amounting to 15,679 million tenge, was recognized as a discount on loans from the Government in the consolidated statement of changes in equity (Note 18.8).

Other loans from the Government

During 2023, in accordance with the Law of the RK “On Republican budget for 2023-2025” dated December 1, 2022, the Fund received loan from the Ministry of Finance of the RK in the total amount of 162,600 million tenge with an interest rate of 0.05% and maturity of 30 years. The fair value of consideration received was 23,103 million tenge. The difference between nominal and fair value of the bond in the amount of 139,497 million tenge was recognized as a discount on loan from the Government in the consolidated statement of changes in equity (Note 18.8).

21. PROVISIONS

As at December 31 provisions comprised the following:

In millions of tenge	Asset retirement obligations	Provision for environmental remediation	Provision for taxes other than income tax	Provision for aircraft maintenance	Other	Total
Provision at January 1, 2023	275,080	87,984	14,272	87,737	97,257	562,330
Foreign currency translation	(1,506)	(1,062)	(44)	(1,507)	(1,109)	(5,228)
Change in estimate	6,162	(1,350)	(548)	–	(155)	4,109
Transfer to liabilities associated with assets classified as held for sale or distribution to the Shareholder (Note 7)	–	–	–	(115,362)	–	(115,362)
Additions through business combinations (Note 5)	4,346	–	–	–	–	4,346
Unwinding of discount	26,137	2,926	–	1,536	162	30,761
Provision for the year	67,092	3,796	787	40,476	58,561	170,712
Use of provision	(1,616)	(5,168)	(366)	(11,532)	(26,257)	(44,939)
Reversal of unused amounts	(367)	(4,619)	(5,651)	(1,348)	(29,609)	(41,594)
Other changes	–	–	–	–	2,380	2,380
Provision at December 31, 2023	375,328	82,507	8,450	–	101,230	567,515
Foreign currency translation	11,879	9,137	158	–	8,845	30,019
Change in estimate	(21,412)	(254)	–	–	(14)	(21,680)
Transfer to liabilities associated with assets classified as held for sale or distribution to the Shareholder (Note 7)	(10,652)	–	(681)	–	–	(11,333)
Additions through business combinations (Note 5)	106	–	–	–	333	439
Unwinding of discount	33,409	1,650	–	–	164	35,223
Provision for the year	7,213	4	721	–	25,215	33,153
Use of provision	(2,818)	(6,139)	(124)	–	(33,126)	(42,207)
Reversal of unused amounts	(1,333)	(3,954)	(4,399)	–	(4,437)	(14,123)
Transfers and reclassifications to other financial liabilities (Note 23)	–	–	–	–	(4,742)	(4,742)
Other changes	1,868	(1,868)	–	–	–	–
Provision at December 31, 2024	393,588	81,083	4,125	–	93,468	572,264

Current portion and non-current portion of provisions are presented as follows:

In millions of tenge	Asset retirement obligations	Provision for environmental remediation	Provision for taxes other than income tax	Provision for aircraft maintenance	Other	Total
Current portion	9,081	7,056	8,450	–	71,866	96,453
Non-current portion	366,247	75,451	–	–	29,364	471,062
Provision at December 31, 2023	375,328	82,507	8,450	–	101,230	567,515
Current portion	6,108	3,518	4,125	–	75,909	89,660
Non-current portion	387,480	77,565	–	–	17,559	482,604
Provision at December 31, 2024	393,588	81,083	4,125	–	93,468	572,264

Other provisions

Capital repair of Ekibastuz TPP

In 2024 the Group recognized the liability on capital repair of Ekibastuz TPP in the amount of 12,597 million tenge (Note 18.6). On December 31, 2024 the Group transferred the completed capital works to the Akimat of the city of Ekibastuz in the amount of 3,723 million tenge reducing previously accrued provision. As of December 31, 2024 long-term and short term provision on capital repair of Ekibastuz TPP amounted to 4,031 million tenge and 4,843 million tenge, respectively.

Sport Complex in Uralsk city

In 2024 the Group increased the accrual of the liability on construction of the Sport Complex in Uralsk city by the amount of 1,989 million tenge. As of December 31, 2024, the Group completed the construction of the Sport Complex in Uralsk city.

On January 22, 2025, the Group carried out state registration of putting the facility into operation and ownership act. As of December 31, 2024, the Group offset the accrued liability in the amount of 19,914 million tenge with the carrying amount of Sport Complex (Note 16).

Other

As at December 31, 2024 other provisions included provision for gas transportation of 38,391 million tenge (as at December 31, 2023: 33,226 million tenge).

22. LEASE LIABILITIES

As at December 31 future minimum lease payments under leases together with the present value of the net minimum lease payments comprised the following:

In millions of tenge	Minimum lease payments		Present value of minimum lease payments	
	2024	2023	2024	2023
Within one year	111.241	94.648	91.631	70.906
Two to five years inclusive	302.726	247.169	171.776	160.297
After five years	348.600	259.758	154.813	121.874
	762.567	601.575	418.220	353.077
Less: amounts representing finance costs	(344.347)	(248.498)	–	–
Present value of minimum lease payments	418.220	353.077	418.220	353.077
Less: amounts due for settlement within 12 months			(91.631)	(70.906)
Amounts due for settlement after 12 months			326.589	282.171

As at December 31, 2024 interest calculation was based on effective interest rates ranging from 7.89% to 17.96% (December 31, 2023: from 6.72% to 18.87%).

Finance lease agreements with Industrial Development Fund JSC

In 2020-2023 the Group, represented by its subsidiaries KTZ Express JSC, Passenger Transportation JSC and Kaztemirtrans JSC entered into agreements to lease flat carriages, passenger carriages and open wagons with Industrial Development Fund JSC at interest rate from 13.5%-15% per annum, of which 6%-10% per annum are subsidised by the Government. The Group acts as a lessee.

During 2024 within the framework of these agreements the Group received 193 flat carriages, 62 passenger carriages and 1,689 open wagons and recognised right-of-use assets of 95,411 million tenge for 22-40 years and lease liability of 55,839 million tenge for 14-15 years.

In 2024 the Group entered into a lease agreement for 2,000 flat cars, 157 passenger carriages and 3 electric trains with the total amount of 178,590 million tenge and interest rate of 13.75%-14.50% per annum, of which 7%-10% per annum are subsidised by the Government.

During 2024 within the framework of these agreements the Group received 373 flat carriages, 50 passenger carriages and 1 electric train, and recognised right-of-use assets of 48,849 million tenge for 32-40 years and lease liability of 24,635 million tenge for 15 years.

The group acts as a lessee. The grace period for the payment of the principal debt under agreements concluded in 2024 is 5 years.

The terms and conditions of lease agreements of the Group with Industrial Development Fund JSC, includes compliance with the financial ratio (covenant) "Debt Security Coverage Ratio". As at December 31, 2024 this condition was met.

Also, the requirements of the Group's lease agreements with Industrial Development Fund JSC incorporate restrictive terms with respect to changing legal status through voluntary liquidation; concluding a transaction or several transactions where the value exceeds 10-25% of the carrying amount of assets; subleasing lease subjects or a part of them. In the event of a default as defined by the lease agreements, the lessor is entitled to demand the indisputable requisition of lease items.

Lease agreements with Transtelecom JSC

In 2024, the Group, represented by the NC KTZh, entered into a lease agreement of communication channels with its associate Transtelecom JSC and recognised right-of-use assets and a lease liability in the amount of 27,261 million tenge for 5 years.

Changes in lease liabilities are as follows:

In millions of tenge	2024	2023
Balance as at January 1	353,077	621,160
Interest paid	(33,510)	(48,016)
Repayment of principal	(70,148)	(161,898)
Interest accrued (Note 30)	48,795	58,190
Foreign currency translation	10,542	(6,876)
Additions of leases	149,754	168,259
Transfer to liabilities associated with assets classified as held for sale or distribution to the Shareholder (Note 7)	(52,434)	(326,780)
Lease agreement termination	(3,473)	(17,012)
Lease agreement modification	17,137	68,074
Other	(1,520)	(2,024)
Balance as at December 31	418,220	353,077

23. OTHER FINANCIAL LIABILITIES

As at December 31 other financial liabilities comprised the following:

In millions of tenge	2024	2023
Obligations to the Shareholder on the financing of social projects	187,097	172,982
Vacation and other employee benefits allowance	164,959	154,041
Amounts due to customers	124,041	80,070
Obligations under guarantee agreements	86,102	34,616
Due to employees	59,689	52,572
Derivative financial instruments	36,327	35,840
Payable under repo transactions	25,225	9,595
Accounts payable	16,271	13,997
Historical costs associated with obtaining subsoil use rights	8,512	9,730
Dividends payable	515	1,043
Other	130,685	70,270
Total financial liabilities	839,423	634,756
Less: current portion	(786,833)	(533,042)
Non-current portion	52,590	101,714

Liabilities on financing of other social projects

In 2024, based on the resolutions of the Shareholder, the Fund recognized liability due to Public Foundation and obligations on financing of various social projects in the total amount of 246,394 million tenge (2023: 154,927 million tenge) (Notes 18.4, 18.5).

Actual amount of cash paid during 2024 totaled to 234,987 million tenge (2023: 117,321 million tenge).

Derivative financial instruments

In October-November 2022, the subsidiary of the Group, NC KTZh, entered into agreements with Societe Generale SA (France), Citibank London and J.P. Morgan Securities plc. (UK) cross-currency swap transactions to manage the exposure to foreign exchange risk of borrowings denominated in US Dollars.

NC KTZh pays a fixed amount of Swiss Francs in exchange for a fixed amount of US Dollars. The payment of these fixed amounts in Swiss Francs is a management of the foreign exchange risk of borrowings, as the Group has a share of revenue denominated in Swiss Francs. These derivative financial instruments are not designated into hedging relationships.

During 2024, as part of the cross-currency swap transactions, the Group received cash from J.P. Morgan Securities plc. (UK), Societe Generale SA (France) and Citibank London in the amount of 17,675 thousand US Dollars (equivalent to 8,221 million tenge) and 4,541 thousand Swiss Francs (equivalent to 2,385 million tenge) (during 2023: 17,479 thousand US dollars (equivalent to 8,146 million tenge) and 4,486 thousand Swiss Francs (equivalent to 2,345 million tenge), respectively).

As at December 31, 2024 the fair value of derivative financial instruments, accounted at fair value through profit or loss, under agreements with Societe Generale SA (France), Citibank London and J.P. Morgan

Securities plc. (UK) in the amount of 62,268 thousand US Dollars (equivalent to 32,697 million tenge) was recognised within financial liabilities (December 31, 2023: 78,579 thousand US Dollars (equivalent to 35,719 million tenge)).

24. TRADE AND OTHER PAYABLES, AND OTHER LIABILITIES

As at December 31 trade accounts payable comprised the following:

In millions of tenge	2024	2023
Trade accounts payable	1,479,284	1,210,558
Accounts payable for the supply of property, plant and equipment	331,011	341,397
Other accounts payable	40,615	45,660
	1,850,910	1,597,615

As at December 31, trade accounts payable were expressed in the following currencies:

In millions of tenge	2024	2023
Tenge-denominated trade accounts payable	613,035	649,265
US dollar-denominated trade accounts payable	772,158	470,228
Other currency-denominated trade accounts payable	94,091	91,065
	1,479,284	1,210,558

As at December 31 other current liabilities comprised the following:

In millions of tenge	2024	2023
Liabilities under agency agreements	468,561	496,331
Contract liabilities to customers	413,238	339,564
Other taxes payable	178,020	194,576
Government grant liability	134,795	84,980
Pension and social contributions liabilities	37,122	31,742
Advances received and deferred income	23,465	21,170
Liabilities under inventory loan agreements	–	91,151
Other	22,515	23,138
Total other liabilities	1,277,716	1,282,652
Less: current portion	(1,097,920)	(1,150,318)
Non-current portion	179,796	132,334

Government grant liability

In 2020-2024 the Group, represented by its subsidiaries KTZ Express JSC, Passenger Transportation JSC and Kaztemirtrans JSC entered into an agreement to lease flat carriages, passenger carriages and open wagons with Industrial Development Fund JSC at interest rate from 13.5%-15% per annum, of which 6%-10% per annum is subsidised by the State (Note 22). The Group acts as a lessee. Government grants to subsidise part of interest rate on finance leases are accounted for as government subsidy liabilities and are recognized as finance income during the periods in which the Group recognizes the relevant finance costs.

Liabilities under agency agreements

During 2023 the Group entered into agency agreements with local authorities for the implementation of the pilot national project "Comfortable School" ("national project") on construction of secondary education facilities. The Group acts as an agent under IFRS 15. The liabilities under the agency agreements represent the amounts received from local authorities, which are to be further transferred by the Group to the construction companies (Note 17), that are responsible for construction of secondary education facilities under the national project.

Liabilities under inventory loan agreements

The Group borrowed 886 tones of natural uranium from ANU Energy OEIC Ltd. due for return at December 31, 2023. In December 2023 the Group has returned 38 tones and extended the due date of agreement until the end of March 2024. As at December 31, 2023 the fair value of liability under inventory loan agreement was 91,151 million tenge. In March 2024 the Group returned the remaining 848 tones of natural uranium. The fair value of inventory loan amounted to 86,391 million tenge at the date of return, which was greater than the cost of inventory returned by 9,572 million tenge. Gain from revaluation of uranium loans to fair value for 4,760 million tenge as well as net gain from disposal of the loan returned to ANU Energy OEIC Ltd. in the amount of 9,572 million tenge are recognised as other operating income.

25. REVENUE

Revenue comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Revenue from contracts with customers:		
Sales of crude oil	4,670,749	4,614,945
Sales of oil refined products	2,591,958	2,679,801
Railway cargo transportation	1,869,783	1,677,659
Sales of uranium products	1,715,172	1,391,438
Sales of refined gold	1,260,191	812,527
Sales of gas products	1,090,795	987,297
Telecommunication services	732,107	668,530
Electricity complex	595,239	448,999
Oil and gas transportation fee	384,657	319,978
Oil processing fees	258,530	248,058
Electricity transmission services	237,308	197,436
Railway passenger transportation	114,989	105,570
Air transportation	78,011	548,804
Postal services	34,762	31,724
Income from financial services and commissions	21,325	19,323
Sales of test products (Note 7)	20,001	63,427
Other revenue	611,323	481,527
	16,286,900	15,297,043
Rental income	97,509	88,283
Interest revenue	48,657	48,679
	16,433,066	15,434,005

In millions of tenge	2024	2023
Geographical markets		
Kazakhstan	7,124,816	5,981,665
United Arab Emirates	1,883,385	223,626
Switzerland	1,853,827	1,677,592
China	1,358,396	1,169,095
Romania	1,250,539	1,334,672
Other countries	2,815,937	4,910,393
	16,286,900	15,297,043

26. COST OF SALES

Cost of sales comprised the following for the years ended December 31:

In millions of tenge	2024	2023 (restated)
Materials and supplies	6,977,225	6,455,824
Personnel costs, including social taxes and withdrawals	1,901,661	1,692,434
Depreciation, depletion and amortization	1,176,681	1,164,654
Fuel and energy	488,309	550,822
Production services rendered	423,161	417,286
Repair and maintenance	385,966	389,665
Taxes other than social taxes and withdrawals	221,018	202,551
Mineral extraction tax	186,326	195,212
Transportation expenses	170,564	138,573
Short-term rent	107,755	118,566
Interest expense	58,806	58,777
Communication services	47,890	49,145
Security services	41,132	38,638
Other	308,145	299,642
	12,494,639	11,771,789

27. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Personnel costs, including social taxes and withdrawals	301,944	271,307
Taxes other than social taxes and withdrawals	33,678	28,834
Audit and consulting services	32,754	33,038
Depreciation and amortization	32,112	32,905
Sponsorship and charitable donations	30,640	6,741
Other services by third parties	30,043	26,139
Repair and maintenance	11,097	11,469
Business trips	9,067	8,519
Social payments and maintenance of social facilities	7,649	6,612
Utilities expenses and maintenance of buildings	6,254	4,536
Short-term rent	5,587	5,251
Insurance	4,473	4,658
Professional education and advanced trainings	4,401	3,905
Transportation services	3,091	3,020
Communication services	2,383	2,452
Bank services	1,904	2,113
Other	50,326	74,882
	567,403	526,381

28. TRANSPORTATION AND SELLING EXPENSES

Transportation and selling expenses comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Transportation	509,246	488,491
Rent tax	139,656	138,986
Custom duties	127,369	115,965
Personnel costs, including social taxes and withdrawals	27,572	28,634
Commission fees to agents and advertising	23,400	31,560
Depreciation and amortization	20,165	19,085
Rent expenses	10,033	9,265
Other	43,694	38,512
	901,135	870,498

29. IMPAIRMENT LOSS

Impairment loss comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Impairment of property, plant and equipment, exploration and evaluation assets and intangible assets (Notes 8, 9, 10)	126,502	262,167
Impairment of VAT receivable, net	13,142	27,606
Impairment of investments in joint ventures and associates (Note 11)	4,420	5,073
(Reversal of impairment)/impairment of non – current advances for non-current assets and its construction	(13,270)	27,490
Other	7,202	3,471
	137,996	325,807

For the following property, plant and equipment, exploration and evaluation assets and intangible assets impairment losses were recognised for years ended:

In millions of tenge	2024	2023
Seawater desalination plant	70,521	–
Objects of the unfinished construction of power unit No. 3 (Note 4)	18,524	13,216
Abai project	17,703	–
MTS	7,848	–
Kairan and Aktoty project	3,953	74,255
CGUs of KMGI (Note 4)	1,010	97,636

In millions of tenge	2024	2023
Jenis project	–	40,244
Liman project	–	8,847
Ereymentau Wind Power assets (Note 4)	–	4,913
Southern Urikhtay project	–	4,876
Drilling jack-up rig(Note 4)	(16,189)	–
Gas turbine power plant and water treatment assets (KUS) (Note 4)	(9,877)	–
Other	33,009	18,180
	126,502	262,167

Impairment of a seawater desalination plant and supply infrastructure

As part of the Comprehensive Plan for the Social and Economic Development of Mangistau region for 2021-2025, in order to provide drinking water to the population of the city of Zhanaozen, Ak Su KMG LLP, a subsidiary of the Group, began construction of a seawater desalination plant and supply infrastructure in Zhanaozen city. The Group estimates that the recoverable amount of this property is nil and, accordingly, as at December 31, 2024 recognized an impairment charge for construction costs incurred in the amount of 70,521 million tenge, and reversed the reserve accrued in 2023 for the advances for the construction of this desalination plant in the amount of 17,324 million tenge.

Impairment of exploration and evaluation assets

For the year ended December 31, 2024, the Group recognized impairment loss of 17,703 million tenge on exploration and evaluation assets relating to Abai project due to negative drilling results and the absence of signs of hydrocarbon reserves in the well.

For the year ended December 31, 2023, the Group recognized impairment loss of 40,244 million tenge on exploration and evaluation assets relating to Jenis project due to negative drilling results (the absence of hydrocarbons in the well).

For the year ended December 31, 2023, the Group recognized impairment loss of 74,255 million tenge on exploration and evaluation assets relating to Aktoty and Kairan project, due to the notification of termination of the subsoil use right for the mentioned mining areas received from the Ministry of Energy of RK.

For the year ended December 31, 2023, the Group has recognized impairment of exploration and evaluation assets in the amount of 4,876 million tenge of the Urikhtau, due to the expiration of the Contract for the use of Devonian sediments.

30. FINANCE COSTS

Finance costs comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Interest on loans and debt securities issued	438,025	520,793
Interest on lease liabilities (Note 22)	51,829	58,190
Discount on provisions and other payables	39,375	43,101
Revaluation loss on financial assets at fair value through profit/loss	5,910	45,374
Discount on assets at rates below market	1,466	12,520
Financial guarantees	6	1,695
Other	37,807	28,274
	574,418	709,947

31. FINANCE INCOME

Finance income comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Interest income on amounts due from credit institutions and cash and cash equivalents	343,120	309,175
Interest income from loans and financial assets	111,384	108,890
Derecognition of loan (Note 19)	48,442	4,377
Revaluation gain on financial assets at fair value through profit/loss	31,316	47,041
Income from subsidized interest rates on financial liabilities	28,019	2,220
Income from derecognition of loan commitment	10,462	–
Income from financial guarantees	8,538	2,513
Discount on liabilities at rates below market	8,123	1,090
Other	16,177	11,058
	605,581	486,364

32. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET

Share in profit/(loss) of joint ventures and associates comprised the following for the years ended December 31:

In millions of tenge	2024	2023
Joint ventures		
Asia Gas Pipeline LLP	325,723	268,632
Tengizchevroil LLP	303,480	340,884
Beineu Shymkent Gas Pipeline LLP	44,983	52,927
Mangistau Investments B.V.	35,726	38,255
KC Energy Group LLP*	27,288	–
Petrosun LLP	26,238	46,567
KazGerMunay LLP	25,336	20,983
Semizbay-U LLP	21,741	13,025
Kazakhstan – China Pipeline LLP	20,844	18,720
KazRosGas LLP	19,157	32,324
Ulba-FA LLP	(6,634)	5,677
Ural Group Limited BVI	(8,961)	(47,006)
Other	350	36,598
	835,271	827,586
Associates		
Caspian Pipeline Consortium JSC	81,525	64,358
JV KATCO LLP	80,249	33,315
Kazzinc LLP	64,381	(50,868)
JV South Mining Chemical Company LLP	47,910	34,171
Other	39,510	36,517
	313,575	117,493
	1,148,846	945,079

* KC Energy Group LLP was founded under conditions similar to the current activities of PETROSUN LLP with the same composition of participants and the same management mechanisms. It is planned that the activities of PETROSUN LLP will be gradually transferred to KC Energy Group LLP.

33. INCOME TAX EXPENSES

As at December 31, 2024 income taxes prepaid of 248,343 million tenge (2023: 190,850 million tenge) are mainly represented by corporate income tax. As at December 31, 2024 income taxes payable of 24,942 million tenge (2023: 38,834 million tenge) are mainly represented by corporate income tax.

Income tax expenses comprised the following for the years ended December 31:

In millions of tenge	2024	2023 (restated)
Current income tax expenses		
Corporate income tax ("CIT")	637,507	610,694
Withholding tax on dividends and interest income	88,166	92,630
Alternative mineral extraction tax	2,628	–
Excess profit tax	1,360	838
Deferred income tax expense/(benefit)		
Corporate income tax ("CIT")	217,721	70,659
Withholding tax on dividends and interest income	(27,554)	(33,376)
Excess profit tax	5,734	(10,392)
Income tax expenses	925,562	731,053

A reconciliation of income tax expenses applicable to profit before income tax at the statutory income tax rate (20% in 2024 and 2023) to income tax expenses was as follows for the years ended December 31:

In millions of tenge	2024	2023 (restated)
Profit from continuing operations before income tax	4,238,577	2,861,353
Theoretical income tax expense at 20% statutory rate	847,715	572,271
Tax effect of other items, which are not deductible	149,874	86,891
Change in unrecognized deferred tax assets	34,215	(28,542)
Effect of different corporate income tax rates	61,696	74,413
Excess profit tax	9,722	(9,554)
Share in non-taxable profit of joint ventures and associates	(179,716)	(133,736)
Recognition of deferred tax liability in relation to the disposal group (Note 7)	42,758	–
Other differences	(40,702)	169,310
Total corporate income tax expenses	925,562	731,053

The subsidiaries of the Group: KMG Kashagan B.V. and KMG Karachaganak have a Production Sharing Agreement and a Final Production Sharing Agreement, respectively, that provide for a stabilized tax regime under the 1997 Tax Code, which must be applied throughout the entire abovementioned agreements period. The most significant tax impact of the stabilized tax regime is the application of a 30% corporate income tax rate to taxable profit.

Income tax rates for companies operating in jurisdictions such as the Netherlands, Romania and Switzerland range from 11.89% to 25.8%.

Deferred tax balances, calculated by applying the statutory tax rates effective at the respective reporting dates to the temporary differences between tax basis of assets and liabilities and the amounts reported in the consolidated financial statements, are comprised of the following at December 31:

In millions of tenge	2024		
	Corporate income tax	Alternative mineral extraction tax	Withholding tax
Deferred tax assets			
Property, plant and equipment	27,617	–	–
Tax loss carryforward	789,846	–	–
Employee related accruals	26,979	–	–
Allowance for expected credit losses of financial assets	46,672	–	–
Provision for environmental liability	80,614	–	–
Lease liabilities	26,213	–	–
Other	118,122	4,291	–
Less: unrecognized deferred tax assets	(603,415)	–	–
Less: deferred tax assets offset with deferred tax liabilities	(395,348)	–	–
Deferred tax assets	117,300	4,291	–
Deferred tax liabilities			
Property, plant and equipment	1,895,535	230	–
Undistributed earnings of joint ventures and associates	–	–	634,427
Right-of-use asset	33,641	–	–
Recognition of deferred tax liability in relation to the disposal group (Note 7)	42,758	–	–
Other	56,534	–	–
Less: deferred tax assets offset with deferred tax liabilities	(395,348)	–	–
Deferred tax liabilities	1,633,120	230	634,427
Net deferred tax liabilities	(1,515,820)	4,061	(634,427)

In millions of tenge	2023 (restated)			
	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Total
Deferred tax assets				
Property, plant and equipment	28,225	–	–	28,225
Tax loss carryforward	839,623	–	–	839,623
Employee related accruals	27,136	–	–	27,136
Allowance for expected credit losses of financial assets	61,364	–	–	61,364
Provision for environmental liability	81,887	–	–	81,887
Lease liabilities	19,615	–	–	19,615
Other	128,342	10,334	–	138,676
Less: unrecognized deferred tax assets	(569,200)	–	–	(569,200)
Less: deferred tax assets offset with deferred tax liabilities	(518,947)	–	–	(518,947)
Deferred tax assets	98,045	10,334	–	108,379
Deferred tax liabilities				
Property, plant and equipment	1,610,181	539	–	1,610,720
Undistributed earnings of joint ventures and associates	–	–	571,270	571,270
Right-of-use asset	24,612	–	–	24,612
Recognition of deferred tax liability in relation to the disposal group (Note 7)	–	–	–	–
Other	68,850	–	–	68,850
Less: deferred tax assets offset with deferred tax liabilities	(518,947)	–	–	(518,947)
Deferred tax liabilities	1,184,696	539	571,270	1,756,505
Net deferred tax liabilities	(1,086,651)	9,795	(571,270)	(1,648,126)

The movements in the net deferred tax liabilities were as follows for the years ended December 31:

In millions of tenge	2024			
	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Total
Balance at January 1	1,086,650	(9,795)	571,270	1,648,125
Foreign currency translation	84,231	–	90,711	174,942
Recognised to other comprehensive income	(2,800)	–	–	(2,800)
Acquisition through business combinations (Note 5)	142,552	–	–	142,552
Recognized in equity	1,621	–	–	1,621
Transfer to assets classified as held for sale or distribution to the Shareholder (Note 7)	(14,155)	–	–	(14,155)
Recognised to profit and loss	217,721	5,734	(27,554)	195,901
Balance at December 31	1,515,820	(4,061)	634,427	2,146,186

In millions of tenge	2023 (restated)			
	Corporate income tax	Alternative mineral extraction tax	Withholding tax	Total
Balance at January 1	953,535	597	615,747	1,569,879
Foreign currency translation	(4,877)	–	(11,101)	(15,978)
Recognised to other comprehensive income	1,743	–	–	1,743
Acquisition through business combinations (Note 5)	48,754	–	–	48,754
Recognized in equity	–	–	–	–
Transfer to assets classified as held for sale or distribution to the Shareholder (Note 7)	16,837	–	–	16,837
Recognised to profit and loss	70,659	(10,392)	(33,376)	26,891
Balance at December 31	1,086,651	(9,795)	571,270	1,648,126

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax asset arising mainly from tax losses carry forward were equal to 603,475 million tenge as at December 31, 2024 (December 31, 2023: 569,200 million tenge).

Tax losses carryforwards as at December 31, 2024 in the RK expire for tax purposes 10 (ten) years from the date they are incurred.

34. CONSOLIDATION

Subsidiaries included in the consolidated financial statements are presented as follows:

	Main activity	Country of incorporation	Ownership percentage	
			2024	2023
1	National Company “KazMunayGas” JSC (“NC KMG”) and subsidiaries	Kazakhstan	67,42%	67,42%
2	National Company “QazaqGaz” JSC and subsidiaries	Kazakhstan	100,00%	100,00%
3	National Company “Kazakhstan Temir Zholy” JSC (“NC KTZh”) and subsidiaries	Kazakhstan	100.00%	100.00%
4	National Atomic Company “Kazatomprom” JSC (“NAC KAP”) and subsidiaries (Note 18.9)	Kazakhstan	62.99%	75.00%
5	Samruk-Energy JSC (“Samruk-Energy”) and subsidiaries*	Kazakhstan	100.00%	100.00%
6	Kazakhstan Electricity Grid Operating Company JSC (“KEGOC”) and subsidiaries	Kazakhstan	85.00%	85.00%
7	Kazpost JSC and subsidiaries	Kazakhstan	100.00%	100.00%
8	Kazakhtelecom JSC (“KTC”) and subsidiaries	Kazakhstan	80.85%	80.85%
9	Air Astana JSC (“Air Astana”) and subsidiaries (Note 7)	Kazakhstan	–	51.00%
10	Samruk-Kazyna Construction JSC and subsidiaries	Kazakhstan	100.00%	100.00%
11	National Mining Company “Tau-Ken Samruk” (“NMC TKS”) and subsidiaries	Kazakhstan	100.00%	100.00%
12	Samruk-Kazyna Ondeu LLP and subsidiaries	Kazakhstan	100.00%	100.00%
13	Samruk-Kazyna Invest LLP and subsidiaries	Kazakhstan	100.00%	100.00%
14	Samruk-Kazyna Contract LLP	Kazakhstan	100.00%	100.00%
15	Stantsiya Ekibastuzskaya GRES-2 JSC (“EGRES-2”)	Kazakhstan	100.00%	100.00%
16	SK Business Service LLP and subsidiaries	Kazakhstan	100.00%	100.00%
17	Qazaq Air JSC	Kazakhstan	100.00%	100.00%
18	Kazakhstan nuclear electric plants LLP	Kazakhstan	100.00%	100.00%
19	Kazakhstan Petrochemical Industries Inc. JSC (Note 7)	Kazakhstan	–	99%
20	CCGT Turkistan LLP	Kazakhstan	100.00%	100.00%

	Main activity	Country of incorporation	Ownership percentage	
			2024	2023
21	Center for Scientific and Technological Initiatives “Samgau” Foundation	Kazakhstan	100.00%	100.00%
22	AES Shulbinskaya GES LLP and subsidiary*	Kazakhstan	–	100.00%
23	AES Ust-Kamenogorskaya GES LLP*	Kazakhstan	–	100.00%
24	Kokshetauskaya TEC LLP**	Kazakhstan	100.00%	–
25	Oskemen Energo LLP**	Kazakhstan	100.00%	–
26	Semey Energo LLP**	Kazakhstan	100.00%	–

* On May 14, 2024, the Fund transferred 100% of its shares in Shulbinskaya GES and UK GES as a contribution to the authorized capital of Samruk-Energy.

** New subsidiaries of the Fund registered on June 24, 2024

35. RELATED PARTY DISCLOSURES

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties include key management personnel of the Group, enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by the Group’s key management personnel and other entities controlled by the Government. Related party transactions were made on terms agreed to between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

The following table provides the total amount of transactions, which have been entered into with related parties as at December 31:

In millions of tenge		Associates	Joint ventures	Other state-controlled entities
Trade and other accounts receivable	2024	18,906	204,304	112,792
	2023	25,045	120,512	87,152
including allowances for ECL on trade and other accounts receivables	2024	(374)	(600)	(284)
	2023	(735)	(872)	(464)
Trade and other payables	2024	128,890	521,199	22,235
	2023	69,428	440,772	20,746
Sale of goods and services	2024	249,238	706,131	1,867,922
	2023	132,423	642,987	1,305,296
Purchase of goods and services	2024	389,736	2,464,314	176,952
	2023	294,267	2,517,627	218,691
Other income/(loss), net	2024	12,669	(20,599)	(11,652)
	2023	2,578	530	(25,079)
Cash and cash equivalents, and amounts due from credit institutions	2024	2	271	347,941
	2023	–	331	308,390
including allowances for ECL on cash and cash equivalents, and amounts due from credit institutions	2024	–	–	(17)
	2023	–	–	(2)
Loans issued	2024	4,189	95,540	108,912
	2023	7,124	90,978	39,979
including allowances for ECL on loans issued	2024	(912)	(14)	(683)
	2023	(2,101)	(20)	(1,280)
Borrowings	2024	–	15,616	1,351,328
	2023	3,506	15,492	1,192,634
Other assets	2024	46,322	19,204	379,941
	2023	14,368	43,823	304,771
including provision for impairment of other assets	2024	(21)	–	(345)
	2023	(50)	–	(189)
Lease and other liabilities	2024	52,559	149,652	180,889
	2023	19,675	143,454	96,259
Interest accrued due from related parties	2024	673	11,645	35,896
	2023	1,379	14,845	56,991
Interest accrued due to related parties	2024	5,755	20,160	119,157
	2023	2,527	17,198	97,109

As at December 31, 2024 some of the Group's borrowings of 6,602 million tenge were guaranteed by the Government of the RK (December 31, 2023: 6,758 million tenge).

Total compensation to key management personnel (members of the Boards of Directors and Management boards of the Fund and its subsidiaries) included in general and administrative expenses in the consolidated statement of comprehensive income was equal to 7,687 million tenge for the year ended December 31, 2024 (December 31, 2023: 7,649 million tenge). Compensation to key management personnel mainly consists of contractual salary and other payments based on achievement of operating results.

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments consist of borrowings, loans from the Government of the Republic of Kazakhstan, lease liabilities, amounts due to the customers, derivatives, cash and cash equivalents, loans issued, amounts due from credit institutions, other financials assets, as well as accounts receivable and accounts payable. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk and credit risk. The Group also monitors the liquidity risk arising from all financial instruments.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group limits interest rate risk by monitoring changes in interest rates in the currencies in which its cash, investments and borrowings are denominated.

The Group's exposure to interest risk relates primarily to the Group's long-term and short-term borrowings with variable interest rates (Note 19).

The following table demonstrates the sensitivity of the Group's profit before income tax (through the impact on variable rate borrowings) to a reasonably possible change in variable interest rates, with all other variables held constant.

In millions of tenge		Increase/ (decrease) in basis points*	Effect on profit before income tax
SOFR	2024	450/(39)	(11,340)/983
	2023	382/(382)	(11,593)/11,593
SARON	2024	126/(77)	(7,917)/4,838
	2023	176/(176)	(4,507)/4,507
Key Rate of National Bank of RK	2024	406/(231)	(12,969)/7,379
	2023	100/(100)	(3,268)/3,268
EURIBOR	2024	354/(121)	(8,714)/3,126
	2023	334/(334)	(5,447)/5,447
COF**	2024	143/(143)	(1,720)/1,720
	2023	143/(143)	(2,023)/2,023
TONIA	2024	286/(286)	(2,608)/2,608
	2023	297/(297)	(4,805)/4,805
Inflation rate of RK	2024	400/(400)	(8,209)/8,209
	2023	400/(400)	(4,363)/4,363

* 1 basis point = 0.01%;
 ** Cost of funding.

Currency risk

As a result of significant borrowings, lease liabilities, and trade accounts payable, cash and cash equivalents, amounts due from credit institutions and accounts receivable denominated in the US dollars, the Group's consolidated financial position can be affected significantly by movement in the US dollar/ tenge exchange rates.

The following table demonstrates the sensitivity of the Group's profit before income tax to a reasonably possible change in the US dollar and euro, with all the variables held constant.

In millions of tenge	Increase/(decrease) in exchange rate	Effect on profit before income tax
2024		
US dollar	9.09%/(7.34%)	(11,506)/17,824
Euro	9.00%/(5.95%)	(28,875)/19,091
RUB	19.82%/(38.53%)	(15,140)/29,433
2023		
US dollar	14.15%/(14.15%)	(255,765)/246,390
Euro	12.95%/(12.95%)	(22,419)/22,416
RUB	28.54%/(28.54%)	(13,429)/13,429

Credit risk

Credit risk arising from the inability of a party to meet the terms of the Group's financial instrument contracts is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Group to that party. It is the Group's policy to enter into financial instruments with a diversity of creditworthy parties. The maximum exposure to credit risk is represented by carrying amount of each financial asset.

The Group considers that its maximum exposure is reflected by the amount of loans issued (Note 12), amount due from credit institutions (Note 13), trade accounts receivable and other current assets (Note 16), other financial assets (Note 14), and cash and cash equivalents (Note 17), net of allowances for expected credit losses recognized at the reporting date.

Concentrations of credit risk may arise from exposures to a single debtor or to groups of debtors having similar characteristics such that their ability to meet their obligations is expected to be affected similarly by changes in economic or other conditions.

The Group has a policy that ensures enforcement of constant control procedures for sales to only be made to buyers with an appropriate credit history and that an acceptable credit exposure limit is not exceeded. Credit risk is minimised by the fact that the Group operates on a prepayment basis with the majority of its buyers.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at price close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The table shown below summarizes the maturity profile of the Group's financial liabilities at December 31 based on contractual undiscounted payments.

In millions of tenge	On demand	Due later than 1 month but not later than 3 months	Due later than 3 months but not later than 1 year	Due later than 1 year but not later than 5 years	Due after 5 years	Total
At December 31, 2024						
Loans from the Government of the Republic of Kazakhstan	13	302	66,731	395,818	3,093,655	3,556,519
Borrowings	14,931	98,415	1,105,981	3,979,088	6,071,000	11,269,415
Lease liabilities	10,198	16,673	94,237	348,319	420,252	889,679
Due to customers	79,494	–	44,529	18	–	124,041
Financial guarantees*	36,840	3,399	61,604	275,329	839,968	1,217,140
Trade and other payables	569,374	1,101,156	217,452	17,044	2,594	1,907,620
Other financial liabilities	229,769	16,950	70,312	–	–	317,031
	940,619	1,236,895	1,660,846	5,015,616	10,427,469	19,281,445
At December 31, 2023						
Loans from the Government of the Republic of Kazakhstan	13	24	45,501	279,850	2,702,651	3,028,039
Borrowings	38,310	101,197	1,245,750	3,939,878	6,185,751	11,510,886
Lease liabilities	5,437	34,970	151,783	480,124	314,966	987,280
Due to customers	37,679	–	42,375	16	–	80,070
Financial guarantees*	39,750	3,084	12,441	52,631	88,153	196,059
Trade and other payables	463,535	960,182	269,793	14,503	–	1,708,013
Other financial liabilities	123,482	33,422	5,836	49,442	–	212,182
	708,206	1,132,879	1,773,479	4,816,444	9,291,521	17,722,529

* The Group includes financial guarantees to the maturity profile table, however, the cash outflow in relation to financial guarantees is subject to certain conditions. Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. In 2024 and 2023 there was no significant instances of financial guarantees execution.

Capital management

The Group manages its capital primarily through capital management of its subsidiaries while conducting its oversight function. Major objective of the capital management is to ensure that subsidiaries of the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group manages capital of its subsidiaries by setting various performance indicators tailored to the business need and industry specific matters of each subsidiary.

The Group manages capital of its subsidiaries by setting various performance indicators tailored to the business need and industry specific matters of each subsidiary. Key performance indicators ("KPI") used by the Group to manage capital of its subsidiaries are ratios of: Debt to Earnings before Interest, Taxes, Depreciation and Amortization, and Interest ("D/EBITDA") from continuing and discontinued operations; and Debt to Equity ("D/E").

Debt is considered to be equal to all borrowings, debt securities, guarantee and finance lease liabilities of relevant subsidiaries reduced by value of cash and cash equivalents. Equity is considered to be equal to the entire equity of the subsidiary attributable to majority shareholders.

Allowed maximum for the indicator is approved for each subsidiary based on the needs and specifics of its business and varies within following ranges (consolidated KPI's for the Group have been presented for reference purposes as the Group does not monitor KPI's on the consolidated level):

Key Performance Indicators	2024	2023
D/EBITDA	1.92	1.75
D/E	0.37	0.36

In millions of tenge	2024	2023
Borrowings (Note 19)	6,668	6,364
Loans from the Government of the Republic of Kazakhstan (Note 20)	1,087	873
Lease liabilities (Note 22)	418	353
Derivative instruments	36	36
Guaranteed principal amount of liabilities of entities outside the Group	1,193	246
Total debt	9,402	7,872
Less: cash and cash equivalents	(3,212)	(2,740)
Net debt	6,190	5,132
EBITDA	4,905	4,488
Total equity	25,593	21,740

Fair values of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

As at December 31, 2024 and 2023 the carrying amount of the following Group's financial instruments is a reasonable estimate of their fair value:

In millions of tenge	Level 1	Level 2	Level 3	December 31, 2024
Financial instruments category				
Assets				
Loans issued at fair value through profit and loss	–	–	82,945	82,945
Financial assets measured at fair value through OCI	280,159	156,732	73	436,964
Financial assets at fair value through profit and loss	114,004	48,067	35,599	197,670
Liabilities				
Derivative financial liabilities	–	35,647	680	36,327

In millions of tenge	Level 1	Level 2	Level 3	December 31, 2023
Financial instruments category				
Assets				
Loans issued at fair value through profit and loss	–	–	86,173	86,173
Financial assets measured at fair value through OCI	24,986	21,636	74	46,696
Financial assets at fair value through profit and loss	50,576	75,824	39,802	166,202
Derivative financial assets	–	347	2,085	2,432
Liabilities				
Derivative financial liabilities	–	35,840	–	35,840

December 31, 2024					
In millions of tenge	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in an active market (Level 1)	From the observed market (Level 2)	Based on the significant amount of unobserved (Level 3)
Financial assets					
Loans issued at amortized cost and net investment in finance lease	210,871	212,146	–	117,107	95,039
Amounts due from credit institutions	1,557,505	1,553,951	1,523,240	30,711	–
Financial liabilities					
Borrowings	6,835,916	6,576,835	3,008,884	3,403,903	164,048
Loans from the Government of the Republic of Kazakhstan	1,087,072	885,907	–	885,907	–
Guarantee obligations	86,102	96,696	–	94,288	2,408

December 31, 2023					
In millions of tenge	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in an active market (Level 1)	From the observed market (Level 2)	Based on the significant amount of unobserved (Level 3)
Financial assets					
Loans issued at amortized cost and net investment in finance lease	147,837	148,057	–	6,285	141,772
Amounts due from credit institutions	1,298,880	1,294,716	1,021,437	273,279	–
Financial liabilities					
Borrowings	7,322,081	7,068,783	2,951,315	2,913,962	1,203,506
Loans from the Government of the Republic of Kazakhstan	872,846	631,071	–	631,071	–
Guarantee obligations	34,616	35,054	–	32,268	2,786

The fair value of the above financial instruments has been calculated by discounting the expected future cash flows at prevailing interest rates.

Except for the financial instruments stated above as at December 31, 2024 and December 31, 2023 the management assessed that the fair value of financial instruments of the Group, such as trade and other accounts receivable and payable, cash and cash equivalents, short-term bank deposits and other current liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy are shown below:

	Valuation technique	Significant unobservable inputs	Range as of December 31	
			2024	2023
Loans issued at amortized cost and net investment in finance lease	Discounted cash flow method	Interest/discount rate	5.0%–30%	8.5%–30%
Financial assets at fair value through profit and loss	WACC	Interest/discount rate	9.2%–19.39%	9.2%–18.46%
Loans issued at fair value through profit and loss	Discounted cash flow method	Interest/discount rate indexed to changes in the US dollar exchange rate	SOFR+2,8% – 15%	SOFR+2.8% – 15%
Borrowings	Discounted cash flow method	Interest/discount rate	3.81%– 17%	SOFR+3.0% – 17%
Financial guarantee issued	Discounted cash flow method	Interest/discount rate	7.6%–14.56%	8.4%–14.56%

37. COMMITMENTS AND CONTINGENCIES

Operating environment

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

Commodity price risk

The Group generates most of its revenue from the sale of commodities, primarily crude oil and oil products. Historically, the prices of these products have been volatile and have fluctuated widely in response to changes in supply and demand, market uncertainty, the performance of the global or regional economies and cyclicity in industries. Prices may also be affected by the Government actions, including the imposition of tariffs and import duties, speculative trades, an increase in capacity or oversupply of the Group's products in its main markets. These external factors and the volatility of the commodity markets make it difficult to estimate future prices. A substantial or extended decline in commodity prices would materially and adversely affect the Group's business and the consolidated financial results and cash flows of operations. The Group mainly does not hedge its exposure to the risk of fluctuations in the price of its products.

Environmental, Social and Governance (ESG) matters - Consideration of climate change and resulting climate related risks

The Group shares the concerns of the world community climate change and supports global efforts to reducing greenhouse gas emissions, increasing energy efficiency, transition to renewable sources energy and phasing out carbon fuels. The Group has the strategic goal to reduce the carbon footprint of the Group by 10% by 2032 compared to 2021 and aims to achieve carbon neutrality by 2060. In general, carbon neutrality does not mean complete exclusion of greenhouse gas emissions - the volume of emissions that not possible to reduce, must be compensated.

The Group is continuously assessing climate related and environmental risks and their impact on the Group's operation. For the identified risks, the Group has assessed their impact on the recognition/derecognition of assets and liabilities and measurement of such assets and liabilities as well as the disclosure provided in its consolidated financial statements. The areas listed below are predominantly impacted by the climate related and environmental risks:

- The Group has initiated projects on constructions of new combined cycle gas plant at the Almaty CHP-2 and CHP-3. The purpose is the replacement of the existing coal-fired equipment with modern environmentally friendly combined cycle power units; and
- The Group has assessed and recognized provisions for decommissioning of power plants and rehabilitating environmental damage due to recently introduced regulatory requirements in accordance with Environmental Code (Note 21).

In relation to the identified risks associated with climate change, the Group assessed their impact on the recognition/derecognition of assets and liabilities, the measurement of such assets and liabilities, and the disclosures in the consolidated financial statements. The following areas are primarily exposed to risks associated with climate change.

Transfer pricing control

Transfer pricing control in Kazakhstan has a very wide scope and applies to many transactions that directly or indirectly relate to international business regardless of whether the transaction participants are related or not. The transfer pricing legislation requires that all taxes applicable to a transaction should be calculated based on market price determined in accordance with the arm's length principle. The law on transfer pricing came into force in Kazakhstan from January 1, 2009. The law is not explicit and there is little precedence with some of its provisions. Moreover, the law is not supported by detailed guidance for application of transfer pricing control to various types, as a result, there is a risk that the tax authorities may take a position that differs from the Group's position, which could

result in additional taxes, fines and interest. As at December 31, 2024 management believes that its interpretation of the transfer pricing legislation is appropriate and that it is probable that the Group's positions with regard to transfer pricing will be sustained.

Taxation

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's tax laws are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of the Republic of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.

Management believes that as at December 31, 2024 its interpretation of the relevant legislation is appropriate and that it is probable that the Group's tax positions will be sustained, except as provided for or otherwise disclosed in these consolidated financial statements.

Comprehensive tax audit at oil refineries of the Group

All three major oil refineries in the Group, Atyrau refinery, Pavlodar refinery and PKOP were subject to a comprehensive tax audit covering periods of a few years (up to 2020) in 2020-2022. As a result of the audits, the total amount of additional charges for VAT for 37,728 million tenge, for income tax for 17,830 million tenge, for other taxes for 476 million tenge, including penalties for all additional charges of 8,959 million tenge and reduction in tax carry-forward losses for 119,871 million tenge.

Atyrau refinery, Pavlodar refinery and PKOP did not agree with the assessments and appealed them according to the procedure established by the state. The refineries' appeals are under consideration by the Ministry of Finance of the RK.

PKOP partially appealed one of the notifications regarding the amount of additional taxes and penalties for 3,694 million tenge. However, on February 15, 2024, the Civil Chamber of the Supreme Court canceled the decision in favor of PKOP made on November 15, 2021 by the Civil Chamber of the Shymkent City Court.

During 2024, PKOP took measures to appeal the decision of the Judicial Collegium for Civil Cases of the Supreme Court to the Prosecutor General's Office of the Republic of Kazakhstan. However, due to the lack of procedural opportunity, consideration of the petitions was refused. Accordingly, PKOP recognized a provision and paid tax and fine in the amount of 3,694 million tenge. However, the Group continues to work to appeal the decision.

The potential amount of additional value added tax (VAT) assessments for the period from 2020 to 2024 is calculated by applying the VAT rate of 12% to the amount of excise tax reimbursed by the toller, excluding potential fines and penalties as stipulated in accordance with the Administrative Code of the RK.

The excise tax amount is determined by applying the excise tax rate per ton, established by Government Resolution of the Republic of Kazakhstan (hereinafter referred to as "GRRK") No. 173 dated April 6, 2018 (as amended by GRRK No. 841 dated November 25, 2021, and GRRK No. 155 dated March 24, 2022) to the volume of petroleum products (gasoline and diesel fuel) transferred to tollers annually. The total volume of petroleum products transferred to tollers from 2020 to 2024 amounted to 28,788 thousand

tons, including 14,352 thousand tons of gasoline and 14,436 thousand tons of diesel fuel. Additionally, from January 1, 2022, to April 4, 2022 (before the amendments introduced by GRRK No. 155 dated March 24, 2022, took effect on April 5, 2022), the volume of transferred petroleum products amounted to 978 thousand tons of gasoline and 1,030 thousand tons of diesel fuel.

Tax audit of Samruk-Energy JSC and its subsidiary EGRES-1

From July 2020, the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter - "SRC") launched a pilot project to introduce horizontal monitoring, which lasted until 31 December 2024. In 2021-2022 SRC, as part of a pilot project on horizontal monitoring, inspected the historical data of the EGRES-1 and Samruk-Energy (Head office) for the five years period. Based on the results, SRC completed tax audits and issued acts with the results of tax audit. The main non-compliances relate to the interest expense deducted for tax purposes and underaccrual of withholding tax. The Group expressed its disagreement, lawsuits and complaints were filed with the courts and the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan. In December 2023, the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan made a decision on the Head office in favor of the Group, on 14 August 2024, the Supreme Court ruled in favor of EGRES-1 regarding the deduction of loan interest on loans that were used for the project "Rehabilitation of Unit 1" and for the repayment of dividend payment obligations, and in favor of the tax authority regarding the deduction of loan interest on bonds. As a result, EGRES-1 paid a fine and penalty in the amount of Tenge 502 million at the expense of the previously accrued provision.

The Group management believes that its interpretation of the relevant legislation is appropriate and the Group's tax positions will be sustained. In the opinion of the Group management, no material losses will be incurred in respect of existing and potential tax claims in excess of provision that have been made in these consolidated financial statements.

Income tax expenses of QazaqGaz

QazaqGaz recognized interest expense and foreign exchange differences in the statement of comprehensive income on a bank loan that was obtained for the purpose of refinancing a previous loan. During 2023, this loan resulted in foreign exchange gains that were not included in total annual taxable income due to the fact that the loan was not related to income-generating activities. Management believes that its interpretation of tax laws is appropriate, and it is probable that it will be able to justify its position to the tax authorities. Management believes that the risk of additional charge as of December 31, 2024 and 2023 is low. Accordingly, no additional tax liabilities have been recognized by the Group in these consolidated financial statements. The amount of possible additional charge is approximately 20,000 million tenge.

Legal proceedings

The civil litigation at KMGI

Faber Invest & Trade Inc. (further Faber), the non-controlling shareholder of KMGI subsidiaries, resumed several previous civil filings in 2020, one of which challenged the increase in the Rompetrol Rafinare Constanta, the KMGI subsidiary, share capital in 2003-2005. The hearings have been held periodically. As of December 31, 2024, all Faber claims were dismissed and the case was closed.

Civil legal dispute between the National Mineral Resources Agency (NAMR) and Oilfield Exploration Business Solutions S.A (OEBS), subsidiary of KMGI, at the Focsani field

On December 17, 2019 OEBS has been noticed by the NAMR that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with NAMR. On July 29, 2022 the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total NAMR claim of 20 million U.S. dollars. In 2022, the Group recognized a provision in the amount of 10.1 million dollars (equivalent to 4,673 million tenge).

On May 23, 2024, the court dismissed the appeal filed by OEBS, and obliged OEBS to pay 10.1 million U.S. dollars. OEBS approached NAMR and the Romanian fiscal authorities with a proposal to gradually pay the amount until 2026. As a result, OEBS was authorized to make the payment as follows: 30% of the liabilities will be paid by NAMR, while 70% will be paid in accordance with the debt Restructuring Plan with the Romanian tax authorities.

As of December 31, 2024, OEBS paid 30% directly to NAMR the remaining 70% was included in the restructuring plan and will be paid until 2026. The Group also reclassified the previously recognized provision into other financial liabilities (Note 21).

Competition investigation in Moldova

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022. RPM has filed an appeal and a first hearing is scheduled for March 21, 2023. In 2022, the Group recognized a provision in the amount of 12 million dollars (equivalent to 5,552 million tenge). During 2023, RPM filed in an appeal and the first hearing was scheduled for October 4, 2023, however, the court rejected the appeal. The second appeal was filed in on January 24, 2024. The first hearing was scheduled for October 16, 2024. However, on July 3, 2024, the SCM announced that RPM was found guilty. On August 1, 2024, RPM filed an appeal against the fine and requested a deferment of payment pending the resolution of the underlying case. On August 26, 2024, the court issued a decision suspending payment of the fine pending the resolution of the litigation. The CCM filed in an appeal and on December 9, 2024 the Court rejected the appeal of CCM regarding the suspension of payment until a final court decision on this dispute.

The case of arbitration between KazRosGas LLP, a joint venture of the company, (further KRG) and Karachaganak Petroleum Operating B.V. (further KPO)

On August 23, 2022, the Secretariat of the International Chamber of Commerce in Paris submitted to KRG a Notice of Initiation of Arbitration Proceedings by KPO, which is the operator under the Final Production Sharing Agreement for the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, with amendments and additions (further FPSA). KPO intends to increase the gas sale price under the existing Karachaganak Gas Purchase and Sale Agreement. If the gas price is agreed later than October 1, 2022, KRG and KPO shall recalculate the gas price for the period from October 1, 2022 to the date of the price agreement.

In October 2022, a working group was established to develop a negotiating position of the Kazakh side on the peaceful settlement of the dispute over the arbitration process between the KRG and KPO, chaired by the First Vice Minister of Energy of RK. The working group also includes representatives of the Ministry of Energy of RK, JSC "NC "QazaqGaz", KMG and KRG.

In August 2023, the Tribunal approved the Procedural Timetable for the Arbitration (further Arbitration Timetable), according to which the final hearing is scheduled for the week of November 18, 2024, and the deadline for the Tribunal to make decision is until the end of March 2025.

In January 2024, a meeting was held between the Ministry of Energy of the Republic of Kazakhstan, KPO, KMG and the KRG to peacefully resolve the dispute. From 18 to 22 November 2024, an evidentiary hearing of the Tribunal was held, at which the parties and experts presented their final positions on the merits of the dispute to the Tribunal, and barristers, together with the Tribunal, cross-examined the experts. On 1 January 2025, legal representatives of both Parties notified the Tribunal and the Secretariat of the conclusion of an agreement on the settlement of the dispute and the termination of the arbitration proceedings. As a result, the price formula remains the same.

The case of an administrative offense of the Pavlodar refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Pavlodar region

In 2022 the Prosecutor's Office of the Pavlodar region together with the Antimonopoly agency conducted an inspection of the Pavlodar refinery operations for compliance with the legislation of the RK in the field of oil and petroleum products turnover, labor, tax and antimonopoly legislation for 2020-2021. On March 16, 2022 Antimonopoly agency issued the Conclusion which stated that Pavlodar refinery set monopolistically high tariff for oil refining services. On July 25, 2022, Antimonopoly agency of the Pavlodar region initiated an administrative offence and issued a Protocol to the Specialized Court for Administrative Offenses of Pavlodar city for setting by the Pavlodar refinery monopolistically high tariff for oil refining services in 2021 and to confiscate revenue for 2021 of 21,961 million tenge and impose fine of 6,226 million tenge.

On June 9, 2023, Specialized Court for Administrative Offenses of Pavlodar city issued a resolution to terminate administrative proceedings. On June 30, 2023, Decree on the consumption of administrative proceedings and the cancellation of the protocol entered into legal force. As a result, as at December 31, 2023, administrative proceedings were closed, and Pavlodar refinery reversed a provision accrued in 2022 in the amount of 28,187 million tenge and recognized in other operating income (Note 21).

Legal proceeding of the NAC KAP

On July 23, 2021, the Fund for the Protection of the Rights of Investors in Foreign Countries, to which the rights of claim were assigned by Quorum Debt Management Group, filed a lawsuit with the Arbitration Court of the Irkutsk Region, Russia, demanding the recovery of funds from the Company in the amount 50,000,000 US dollars under a Framework Agreement (support for asset recovery activities) dated December 26, 2013, which was expired on December 25, 2016. In February 2024 after a series of court hearings, Quorum Debt Management Group LLC proposed to resolve the legal dispute amicably. In connection with this, a joint petition was filed to postpone the court hearing, which was satisfied on March 2024 by the Arbitration Court of the Irkutsk Region and postponed until May 21, 2024. On April 25, 2024, a Settlement Agreement was signed between the parties, under the terms of which the parties completely and forever renounce their claims against each other. On May 6, 2024 the Settlement Agreement was approved by the Arbitration Court of the Irkutsk Region. The Settlement Agreement came into force from the moment of approval.

Inspection by the General Prosecutor's Office

The Prosecutor's Office conducted an inspection to verify compliance with procurement legislation, tax laws, the legality of expenditures, and anti-corruption measures at EGRES-1 in 2024 and EGRES-2 in 2023. Following the inspection, a report on the results was issued. Due to disagreements with the conclusions outlined in the report, the Group submitted a reasoned objection and comments to the General Prosecutor's Office. In response to the notice regarding the elimination of legal violations, and considering the objections and comments, the Group developed an Action Plan to address the issues raised by the General Prosecutor's Office. This Action Plan was submitted to the General Prosecutor's Office.

The Group's management believes that its interpretations of the relevant legislation are reasonable, and that the Group's legal position is well-founded. According to the management, the Company does not foresee any losses following the prosecutor's inspection and, therefore, does not consider it necessary to create provisions.

Investigations and notices in respect of Kcell JSC

Order of the Antimonopoly agency dated 15 June, 2022

In accordance with the Order of the Agency for the Protection and Development of Competition of the Republic of Kazakhstan for the city of Almaty No. 42-OD dated June 15, 2022 (hereinafter referred to as the Order), an investigation was initiated against Kcell JSC on the grounds of a violation provided for in Article 174 (1) of the Entrepreneurial Code of the Republic of Kazakhstan. Initial audited period was from January 1, 2020 to September 12, 2022. Antimonopoly agency observed high prices for the mobile communication for the Kcell brand. The subject of investigation is the establishment of factual data confirming or refuting the commission of a violation by Kcell JSC, expressed in maintaining a monopoly high price aimed at restricting and eliminating competition.

On July 26, 2022 the Group appealed the resolution on investigation in Antimonopoly agency, but the appeal was denied on August 16, 2022. As a result of the appeal, the investigation was suspended by Antimonopoly agency on July 28, 2022.

During 2023 the Group filed the appeal against the Order. On November 9, 2023 the Supreme Court of the RK hearing was held. The court declared the Order No. 42-OD dated June 15, 2022 unlawful for the period from January 1, 2020 to December 31, 2021. The investigation was resumed on November 27, 2023.

On December 13, 2023 the Group filed an appeal against resumption of investigation. On December 22, 2023 the investigation was suspended due to filed appeal. The Supreme Court of the RK left the lower courts decisions unchanged as the case which is not subject to administrative proceedings, and the cassation appeal was denied.

On January 30, 2025 the Group received the Determination to open the investigation from January 29, 2025. The Group is working on preparing the response to the request of Antimonopoly agency within the investigation.

As of December 31, 2024 Management of the Group assessed the risk of Antimonopoly legislation violation as possible, and consequently did not accrue the provision on losses in respect of abovementioned investigations and notifications.

Order of the Antimonopoly agency dated December 21, 2023

In accordance with the Order of the Antimonopoly agency for the city of Almaty No. 38-OD dated December 21, 2023 an investigation was initiated against Kcell JSC. The subject of investigation is the susception of coordinated actions with competitors to set and maintain prices for communication services during May-July 2023. Within the framework of investigation Antimonopoly agency send the request to the Group for information needed for the investigation process. The investigation was suspended from January 10, 2024.

During 2024 the Group's appeals were denied by the lower courts. The appeal was filed on October 16, 2024. The date of hearing in the Supreme Court of RK has not yet been scheduled.

As of December 31, 2024 Management of the Group assessed the risk of Antimonopoly legislation violation as possible, and consequently did not accrue the provision on losses in respect of abovementioned investigations and notifications.

Main proceedings in the Stati claim filed on December 7, 2017, in which the Stati asks the court to recognize the Fund as part of the RK and oblige the Fund to comply with the Arbitral Award

On 17 March 2021, a hearing in the main proceedings was held.

On 28 April 2021, the Court of Appeal granted the Fund's request to postpone this process until the decision of the Court of Appeal in The Hague to appeal the restriction on shares of KMG Kashagan B.V.

On November 2, 2022, the Fund filed an application to terminate the trial, in connection with the decision of the Court of Appeal of The Hague dated June 14, 2022, according to which the arrest of Kashagan shares owned by the Fund, imposed in September 2017, was lifted.

On February 8, 2023, the District Court of Amsterdam ruled that the claims of Anatole and Gabriel Stati and their companies ("Stati") against the Fund were inadmissible and, as a result, the proceedings were dismissed. Stati is currently appealing this decision.

On 4 February 2025, the proceedings were terminated following a joint appeal by the parties to terminate the proceedings at the Amsterdam Court of Appeal.

Environmental audits

Inspection of land-based facilities of North Caspian Operating Company N.V., which is the operator under the Product Sharing Agreement for the Northern Caspian Sea (hereinafter referred to as the Operator)

The Department Ecology of the Atyrau Region of the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan conducted an inspection of the land facilities of the North Caspian Operating Company N.V., which is the operator under the Production Sharing Agreement for the North Caspian Sea (further Operator). Based on the results of the inspection, an order was issued to the Operator to eliminate violations, including regarding the excessive placement of sulfur in the amount of 1,020 thousand tons. The Operator did not agree with the inspection results and filed an administrative claim to dispute the given order. On June 14, 2023, the Specialized Inter-District Administrative Court of the city of Astana ruled in favor of the Operator regarding the placement of sulphur. On February 27, 2024, the Judicial Panel for Administrative Cases of the Court the city of Astana annulled this decision. The dispute is now pending before the Supreme Court of the Republic of Kazakhstan. Should the Operator be held accountable as per the administrative ruling, the fine amount will be determined in line with the Administrative Code of the Republic of Kazakhstan. As at December 31, 2024, the Group did not recognize provisions for this case.

Cost recovery audits

KMG Kashagan B.V. has a share of 16.88% in the North Caspian Production Sharing Agreement dated November 18, 1997, as amended (further PSA).

KMG Karachaganak LLP, subsidiary of the Company, has a share of 10% in the Final Production Sharing Agreement in respect of the contract area of the Karachaganak oil and gas condensate field dated January 27, 1997, as amended (further FPSA).

Under the base principles of the PSA and FPSA, the RK transferred to the participants of these agreements (further Contractors) the exclusive rights to conduct activities in the subsurface areas, but did not transfer neither ownership rights, nor lease rights to these areas. Thus, all extracted and processed oil (i.e. the hydrocarbons produced) are the property of the RK.

Subsoil use operations are carried out on the basis of reimbursement of certain expenditures and the RK reimburses such expenditures to Contractors not in cash but in the form of the portion of oil production, thereby allowing Contractors to recover their expenditures (further Recoverable Costs) and earn profit.

PSA and FPSA provides for a procedure of expense reimbursement and determine the list of expenses that are not Recoverable Costs.

PSA LLP conducts audits of Recoverable Costs as an organization authorized to act on behalf of the RK within the framework of the PSA and FPSA (further the Authorized Body).

The RK and the Contractors under the PSA and FPSA (except for KMG Kashagan B.V. and KMG Karachaganak LLP) have a number of disputes concerning the application of certain PSA and FPSA provisions, which have been referred to arbitration under the PSA and FPSA.

Kazakhstan local market obligation

The Government requires oil companies in the RK to supply a portion of the products to meet the Kazakhstan domestic energy requirement on an annual basis, mainly to maintain oil products supply balance on the local market and to support agricultural producers during the spring and autumn sowing and harvest campaigns.

Kazakhstan local market oil prices are significantly lower than export prices and even lower than the normal domestic market prices determined in an arm-length transaction. If the Government does require additional crude oil to be delivered over and above the quantities currently supplied by the Group, such supplies will take precedence over market sales and will generate substantially less revenue (not less than cost of production) than crude oil sold on the export market, which may materially and adversely affect the Group's business, prospects, consolidated financial position and performance.

In 2024, in accordance with its obligations, the Group delivered to the Kazakhstan market 8,146 thousand tons of crude oil, including its share in the joint ventures and associates in the total volume of 2,880 thousand tons (2023: 7,541 thousand tons, including its share in the joint ventures and associates of 2,560 thousand tons).

Oil supply commitments

As of December 31, 2024, KMG Kashagan B.V. had commitments under the oil supply agreements in the total amount of 2.4 million tons (December 31, 2023: 3.0 million tons). The monetary equivalent is determined based on the market prices at the moment of realization.

Commitments under oilfield and mining field licenses and subsurface use contracts

As at December 31, 2024 the Group had the following commitments (net of VAT) related to a minimal working program in accordance with terms of licenses, production sharing agreements and subsoil use contracts, signed with the Government, including its share in joint ventures and associate (in millions of tenge):

Year	Capital expenditures, including joint ventures and associates	Capital expenditures of joint ventures and associates	Operational expenditures, including joint ventures and associates	Operational expenditures of joint ventures and associates
2025	658,796	53,647	285,389	105,769
2026	471,132	39,509	278,568	59,007
2027	392,982	24,278	254,452	58,551
2028	462,766	25,022	263,201	61,345
2029-2059	4,658,557	44,088	2,860,394	350,784
Total	6,644,233	186,544	3,942,004	635,456

Liabilities on unconditional purchase of gas transportation services to the joint ventures

As of December 31, 2024, the Group has unconditional liability on purchase of gas transportation services to Asia Gas Pipeline LLP and Beineu Shymkent Gas Pipeline LLP in the total amount of 177,033 million tenge and 209,368 million tenge excluding VAT, respectively (December 31, 2023: 313,200 million tenge and 203,148 million tenge excluding VAT, respectively).

Capital commitments

As at December 31, 2024 the Group had capital commitments of approximately 4,386,222 million tenge related to acquisition and construction of property, plant and equipment, excluding VAT (as at December 31, 2023: 1,960,099 million tenge, excluding VAT), including capital commitments of joint ventures and associates in the amount of 50,339 million tenge, excluding VAT (as at December 31, 2023: 16,508 million tenge, excluding VAT). As at December 31, 2024, the contractual obligations of GPCI, classified as held for sale, for the acquisition of fixed assets and construction services amount to 178,244 million tenge excluding VAT.

As at December 31, 2024, the Group had commitments in the total amount of 1,322,168 million tenge (as at December 31, 2023: 1,139,355 million tenge) under the investment programs approved by the joint order of Ministry of Energy of the RK and CRNM to facilitate production units.

Liabilitites under agreements for the implementation of the pilot national project "Comfortable School"

In order to implement the pilot national project "Comfortable School", the Group has concluded contracts on the comprehensive works and services for the construction of secondary education facilities and contracts for the project management services with local authorities.

Within the framework of the concluded contracts, it is planned to purchase works on the construction of 359 facilities. During 2023 and 2024, tender procedures were conducted for the purchase of works on the construction of 208 facilities.

As at December 31, 2024 the Group had contractual commitments to local authorities for the provision of project management services in the amount of 10,876 million tenge (2023: 17,640 million tenge), where the Group acts as a principal, as well as the comprehensive construction works and services in the amount of 2,053,004 million tenge, where the Group acts as an agent (2023: 2,307,427 million tenge).

Non-financial guarantees

As of December 31, 2024 and 2023, the Group has outstanding performance guarantees issued in favour of third parties whereas it provides guarantee should its joint venture or associate fail to perform their obligations under the natural gas purchase-sale, transportation and other agreements.

As of December 31, 2024 and 2023, the management of the Group believes that there were no expected cases of non-performance from the guaranteed parties and, accordingly, no obligations related to the above stated non-financial contingencies were recognized.

38. SEGMENT REPORTING

For management purposes, the Group is organized into organizational business units based on their products and services, and has 8 (eight) reportable operating segments (Note 1).

Certain of operating segments have been formed by aggregation of smaller reportable segments in line with the organizational structure of the Group. Each reportable segment maintains its accounting records in line with IFRS. Financial performance of each segment prepared in line with IFRS is reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Eliminations represent the exclusion of intra-group turnovers. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

The following table represents information about profit and loss, assets and liabilities of operating segments of the Group for 2024:

In millions of tenge	Oil and gas and petrochemical segment	Mining	Transportation	Communication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	9,476,375	3,076,567	2,172,456	788,383	823,822	26,292	44,818	24,353	–	16,433,066
Revenue from contracts with customers	9,469,275	3,076,102	2,103,337	788,383	807,302	26,292	–	16,209	–	16,286,900
Rental income	7,100	465	69,119	–	16,520	–	–	4,305	–	97,509
Interest revenue	–	–	–	–	–	–	44,818	3,839	–	48,657
Revenues from sales to other segments	133,286	52	27,053	4,888	149,099	13,015	1,012,682	19,813	(1,359,888)	–
Total revenue	9,609,661	3,076,619	2,199,509	793,271	972,921	39,307	1,057,500	44,166	(1,359,888)	16,433,066
Geographical markets										
Kazakhstan	2,108,976	1,596,687	1,995,580	772,533	922,917	39,307	1,012,682	36,022	(1,359,888)	7,124,816
United Arab Emirates	1,850,401	31,944	999	41	–	–	–	–	–	1,883,385
Switzerland	1,852,927	850	50	–	–	–	–	–	–	1,853,827
China	663,749	663,721	28,419	2,507	–	–	–	–	–	1,358,396
Romania	1,198,204	52,335	–	–	–	–	–	–	–	1,250,539
Other countries	1,928,304	730,617	105,342	18,190	33,484	–	–	–	–	2,815,937
Cost of sales	(7,660,471)	(2,185,198)	(1,691,343)	(566,438)	(609,436)	(25,766)	(95,112)	(28,023)	367,148	(12,494,639)
Gross profit	1,949,190	891,421	551,334	241,142	363,485	13,541	962,388	16,143	(992,740)	3,995,904
General and administrative expenses	(312,881)	(53,118)	(137,691)	(56,974)	(38,071)	(3,508)	(24,907)	(6,667)	66,414	(567,403)
Transportation and selling expenses	(846,094)	(26,303)	(3,316)	(22,533)	(11,950)	(3,488)	–	(31)	12,580	(901,135)
Finance income	350,822	38,107	56,768	50,165	22,421	5,506	119,466	60,647	(98,321)	605,581
Finance costs	(396,380)	(20,227)	(181,290)	(57,590)	(55,974)	(2,253)	(15,028)	(14,481)	168,805	(574,418)
Share in profits/(loss) of joint ventures and associates	902,374	223,676	10,772	(253)	(116)	354	12,037	2	–	1,148,846
Foreign exchange gain/(loss), net	162,272	69,175	(69,725)	3,306	2,563	6,148	83,132	15,123	(31,801)	240,193
Depreciation, depletion and amortization	(717,580)	(122,717)	(183,645)	(117,581)	(79,727)	(7,116)	(648)	(2,677)	(1,225)	(1,232,916)
(Impairment)/reversal of property, plant and equipment, exploration and evaluation assets and intangible assets	(90,055)	(1,942)	(17,196)	(8,574)	(18,601)	9,866	–	–	–	(126,502)
Reversal/(impairment) of other assets, net	7,058	(7,093)	(6,635)	(800)	(257)	(640)	(59,484)	–	56,357	(11,494)
Income tax expenses	(366,056)	(238,220)	(50,955)	(79,488)	(63,778)	(1,040)	(107,367)	(13,077)	(5,581)	(925,562)
Net profit/(loss) for the year from continuing operations	1,406,779	1,202,317	159,789	77,929	202,066	23,295	1,084,009	56,794	(899,963)	3,313,015
Net loss for the year from discontinued operations	(10,373)	–	–	–	–	–	–	–	–	(10,373)
Total net profit/(loss) for the year	1,396,406	1,202,317	159,789	77,929	202,066	23,295	1,084,009	56,794	(899,963)	3,302,642
Other segment information										
Total assets of the segment	23,520,182	4,693,395	5,974,653	2,046,474	2,594,797	254,999	10,032,994	1,225,759	(9,243,597)	41,099,656
Total liabilities of the segment	8,503,805	963,554	3,998,807	1,152,250	1,278,132	27,390	2,014,934	866,576	(3,299,276)	15,506,172
Allowances for expected credit losses on trade receivables, loans and other current financial assets	(13,673)	14,094	1,593	(3,977)	1,560	(48)	(4,203)	(992)	(4,234)	(9,880)
Investments in joint ventures and associates	6,469,119	815,847	50,074	381	82,709	9,036	278,607	60	–	7,705,833
Capital expenditures	1,182,412	168,986	1,173,169	180,807	276,988	3,580	219	9,594	(161)	2,995,594

The following table represents information about profit and loss, assets and liabilities of operating segments of the Group for 2023:

In millions of tenge	Oil and gas and petrochemical segment	Mining	Transportation	Communication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	9,301,623	2,250,519	2,425,440	719,496	657,259	16,975	41,679	21,014	–	15,434,005
Revenue from contracts with customers	9,291,454	2,250,325	2,374,644	719,496	635,416	16,975	–	8,733	–	15,297,043
Rental income	10,169	194	50,796	–	21,843	–	–	5,281	–	88,283
Interest revenue	–	–	–	–	–	–	41,679	7,000	–	48,679
Revenues from sales to other segments	162,048	87	21,274	5,367	80,266	13,000	639,490	19,386	(940,918)	–
Total revenue	9,463,671	2,250,606	2,446,714	724,863	737,525	29,975	681,169	40,400	(940,918)	15,434,005
Geographical markets										
Kazakhstan	1,866,922	966,159	2,005,457	703,619	683,041	29,776	639,490	28,119	(940,918)	5,981,665
United Arab Emirates	223,586	–	12	28	–	–	–	–	–	223,626
Switzerland	1,677,576	16	–	–	–	–	–	–	–	1,677,592
China	621,279	522,521	23,313	1,982	–	–	–	–	–	1,169,095
Romania	1,334,646	26	–	–	–	–	–	–	–	1,334,672
Other countries	3,729,493	761,690	367,136	19,234	32,641	199	–	–	–	4,910,393
Cost of sales	(7,504,316)	(1,483,131)	(1,935,164)	(522,214)	(511,682)	(26,238)	(88,091)	(23,274)	322,321	(11,771,789)
Gross profit	1,959,355	767,475	551,867	223,374	225,843	3,737	593,078	17,126	(618,597)	3,723,258
General and administrative expenses	(234,493)	(58,061)	(135,945)	(50,729)	(27,949)	(3,378)	(20,118)	(6,117)	10,409	(526,381)
Transportation and selling expenses	(804,777)	(28,927)	(13,201)	(23,226)	(13,428)	(1,281)	–	(36)	14,378	(870,498)
Finance income	184,921	47,655	39,237	42,411	18,050	3,188	139,213	46,844	(35,155)	486,364
Finance costs	(439,422)	(10,820)	(236,040)	(42,673)	(51,118)	(5,659)	(19,893)	(24,111)	119,789	(709,947)
Share in profits/(loss) of joint ventures and associates	868,403	47,664	8,145	–	12,075	(14)	8,819	(13)	–	945,079
Foreign exchange gain/(loss), net	61,441	(19,678)	(20,451)	(4,109)	399	(38)	(5,222)	4,531	3,555	20,428
Depreciation, depletion and amortization	(667,497)	(95,830)	(232,802)	(140,928)	(87,335)	(6,343)	(691)	(3,354)	13,219	(1,221,561)
(Impairment)/reversal of property, plant and equipment, exploration and evaluation assets and intangible assets	(230,491)	134	(11,670)	(993)	(14,241)	(4,906)	–	–	–	(262,167)
(Impairment)/reversal of other assets, net	(47,686)	(1,259)	3,432	130	(10,536)	(3,931)	(4,241)	451	–	(63,640)
Income tax expenses	(254,806)	(148,904)	(32,911)	(29,835)	(43,546)	(791)	(214,698)	(5,445)	(117)	(731,053)
Total net profit/(loss) for the year	1,246,699	533,727	166,216	105,990	94,057	(23,626)	476,925	25,719	(495,407)	2,130,300
Other segment information										
Total assets of the segment	20,502,408	3,321,395	4,987,879	1,811,102	2,158,606	199,417	11,096,378	838,239	(7,990,690)	36,924,734
Total liabilities of the segment	7,591,245	701,773	3,222,807	967,452	966,377	67,377	3,193,305	674,649	(2,199,783)	15,185,202
Allowances for expected credit losses on trade receivables, loans and other current financial assets	(15,586)	(15,620)	2,627	(10,620)	(180)	(881)	454	(6,260)	7,252	(38,814)
Investments in joint ventures and associates	6,081,988	641,794	40,568	–	82,883	8,682	44,092	–	–	6,900,007
Capital expenditures	1,205,486	88,351	799,097	414,466	209,027	1,943	1,435	1,669	(858)	2,720,616

39. SUBSEQUENT EVENTS

Issue of shares

On January 9, 2025, the Fund issued 1,000 shares at par value of 8,116,947 tenge for the total amount of 8,117 million tenge, which were paid off by the Shareholder by means of 100% shares of «Phystech II» JSC.

On February 14, 2025, the Fund issued 1 share at par value of 491,267,000 tenge for the total amount of 491 million tenge, which were paid off by the Shareholder by means of 100% of interest in “Akmolit” LLP, 100% of interest in “Topaz-NS” LLP and 100% of interest in “Marhit” LLP. Further, the Fund transferred these shares as a contribution to the authorized capital of Fund’s subsidiary, TKS.

On February 25, 2025, the Fund issued 1000 shares at par value of 243,931,446 tenge for the total amount of 243,931 million tenge, which were paid off by previously received gas supply objects. Further, the Fund transferred these shares as a contribution to the authorized capital of Fund’s subsidiary, QazaqGaz.

Dividends received

In March and April, 2025 the Group received dividends from joint ventures Tengizchevroil LLP, Asia Gas Pipeline LLP, Beineu-Shymkent Pipeline LLP, and also associate, Transtelecom JSC, in the amount of 255 million US dollars (equivalent to 128,222 million tenge), 80 billion tenge, 16 billion tenge, and 1.500 million tenge, respectively.

The incident at the facility of the Caspian Pipeline Consortium

On February 17, 2025, the civilian industrial facility of the international Caspian Pipeline Consortium, the Kropotkinskaya oil pumping station, was attacked by unmanned aerial vehicles of the aircraft type. As a result of the attack, the facility was damaged and decommissioned. As at the date of this report oil is pumped from the RK without any restrictions.

Sale of a subsidiary

On January 6, 2025, the Group completed the sale of 100% interest in MTS in favor of PIH Communication LLC by signing the corresponding document for consideration of 1,100 million US dollars, including contingent consideration, and lost control over the subsidiary. On January 14, 2025 the Group received the first tranche of 700 million US Dollars according to this sale contract.

Change in Trade Tariffs

In early April 2025, the US Presidential Administration announced the introduction of large trade tariffs on imports of goods into the United States. The list of countries and territories with the highest additional tariffs included China, Vietnam, India, Japan and others. The Group considers this event to be a non-adjusting event after the reporting period, the quantitative effect of which cannot be estimated at the current time with a sufficient degree of certainty. The Fund will continue to monitor the developments and assess the impact, if any, that changes in tariffs may have on the financial position of the Group.

Annex 2.

The Progress Report on Withdrawal of Assets of Samruk-Kazyna JSC

Annexes 2 and 5 to the resolution of the Government of RK No. 908 envisage that 30 assets of the Fund are subject to transfer to the competitive environment.

To date, activities have been completed for 14 assets, with 6 assets completed in the reporting year 2024:

Air Astana JSC

- In February 2024 the company's IPO took place. The price for 1 global depositary receipt (hereinafter - GDR, 1 GDR = 4 shares) was \$9.5, and for 1 common share – KZT 1,073.83. The total offering was about \$370 million. Immediately after the transaction, the Fund's stake in the company decreased from 51% to 41% of the total number of outstanding shares of the company, and BAE Systems PLC from 49% to 15.3%. However, later at the end of the Greenshoe mechanism period, BAE Systems PLC increased its stake to 16.95%. Thus, the free float currently stands at 42.05%.

Qazaq Air JSC

- On 24 December 2024, a sale and purchase agreement for 49% and 2% of shares was signed between the Fund, Central Asia Aviation Holdings Private Company and Kazasia Holdings Limited Private Company. The amount of the transaction totalled KZT 980 million and KZT 40 million for 49% and 2% of shares. In addition, a call option agreement was signed, under which the Fund authorises Central Asia Aviation Holdings to appoint a legal entity meeting certain criteria to acquire option shares (49%) from the Fund. At the same time, within 18 months from the date of signing the call agreement the option shares will be sold at the purchase agreement price (KZT 980 million), and in the next 42 months at the price determined by the parties on the basis of an up-to-date valuation report prepared by an independent consultant.
- On 27 December 2024, the Government of the Republic of Kazakhstan adopted a resolution Some Aspects of Transfer of Shares of Qazaq Air Joint-Stock Company into the Competitive Environment on the sale (alienation) by the Fund of up to 100% of shares of QAZAQ AIR on the terms of signed transaction documents.