

Investment Activities

To increase commercial assets in the Fund's portfolio, and focus on continued optimisation and restructuring of the portfolio with a full transition to active management of the investment portfolio by 2024 – these are the Fund's objectives for the foreseeable future. The Fund's transition to the investment holding format implies the presence of two categories of assets in the portfolio. The first is strategic assets, where the controlling interest of the Fund will be retained. Management of these assets will be carried out through the exercise of shareholder rights and with the help of the Fund's representatives in the Board of Directors of

these companies. In the period of economic recovery, the concentration of the Fund's investments will be used to develop priority areas on the principles of co-investment. As for foreign investments, they are divided into two directions: direct and portfolio investments. In the direct investments in the long term, it is planned to invest in projects implemented in developed countries, in industries that will provide diversification of the Fund' portfolio. In this part, the Investment Policy of Samruk-Kazyna JSC is fully in line and enables the implementation of the Strategy.

Investment policy

The Investment Policy of Samruk-Kazyna JSC is place to achieve strategic objectives in portfolio management and establishes the goals and principles of the Fund's activity in this direction.

The Policy does not apply to cases of alienation of participatory interests in the charter capital (shareholdings) of portfolio companies and other legal entities included in the list of organisations to be transferred to the competitive environment on the recommendation of the Government of the Republic of Kazakhstan.

The investment policy of Samruk-Kazyna JSC is determined by three main objectives:

- To ensure long-term sustainable growth in the value of the Fund's portfolio and prudent capital appreciation;
- Generating, preserving and multiplying financial wealth for future generations;
- Ensuring portfolio diversification by geography, industries and asset classes.

In its investment activities, the Fund is guided by the following principles:

- The principle of commercial viability is that the investment strategies of the Fund and its portfolio companies are based on commercial viability, long-term interests and maximisation of both returns and investment returns (this is the primary performance criterion).
- The "yellow pages" principle is that decisions to invest the Fund's resources in entities operating in Kazakhstan are made subject to all restrictions established by the relevant legislation of the Republic of Kazakhstan. Namely, only when they do not hinder the development of the private sector, do not restrict competition and do not lead to monopolisation.
- The principle of responsible investment is that the Fund seeks to pursue investment strategies that contribute to the sustainable and balanced development of economic sectors and society as a whole.

INVESTMENT CRITERIA

All investments should be characterised by a positive net present value (NPV>0) and an internal rate of return exceeding the cost of equity (IRR>CoE).

Having a strategic partner allows the Fund to make new investments together. The Fund makes international investments in sectors of the economy that have a strategic link to Kazakhstan (excluding the oil industry). These investments cover all stages of project

implementation and stages of the project life cycle.

In order to implement its investment strategies, the Fund mobilises various sources of funding – its own funds, dividends from portfolio companies, proceeds from divestments, borrowings from both domestic and international capital markets, as well as intra-group financing and other sources.

PROJECT PORTFOLIO

The investment portfolio of the Fund's Group of companies includes over 130 investment projects totalling over KZT 50 trillion.

In 2024 for 2025, the Board of Directors of the Fund determined a list of 46 major investment projects in oil and gas, petrochemical, energy, transport and logistics and other sectors for a total amount of 33.3 trillion tenge.

Out of this total, 15 projects are at the pre-investment stage, 9 projects are at the design stage, EPC contracts or construction and installation contracts have been concluded for 22 projects, including 15 projects under construction.

IMPLEMENTED INVESTMENT PROJECTS OF THE FUND'S GROUP OF COMPANIES IN 2024:

Rehabilitation of power unit No. 1 at GRES-1 with a capacity of 500 MW.



Construction of KTZ freight terminal in Xi'an, China.



Construction of necessary gas infrastructure for conversion of Almaty CHPP-2 and CHPP-3 to gas.



AMONG OTHER RESULTS ACHIEVED AT THE END OF 2024, IT IS WORTH NOTING THE FOLLOWING:

1. CONSTRUCTION AND INSTALLATION WORKS ON THE FOLLOWING PROJECTS HAVE BEEN STARTED:

- Construction of a CCGT-based power plant with a capacity of up to 1000 MW in Turkestan region;
- Modernisation of Almaty TPP-2;
- Reconstruction of Almaty CHPP-3;
- Construction of the Taldykorgan-Usharal gas pipeline;
- Construction of a Seawater Desalination Plant in Kenderli village.

2. EPC CONTRACTS OR AGREEMENTS FOR BUILDING AND INSTALLATION HAVE BEEN CONCLUDED FOR THE FOLLOWING PROJECTS:

- In March 2024, a contract was signed for the construction of a bypass railway line bypassing the railway junction of Almaty station;
- In May 2024, a contract was signed for the design and construction of the Darbaza-Maktaaral railway line;
- In August 2024, an EPC contract was signed for the project "Expansion and reconstruction of Ekibastuz GRES-2 with the installation of units of st. No. 3";
- A contract was signed for construction and installation works for the construction of the Taldykorgan-Usharal gas pipeline;
- In September 2024, an EPC contract was concluded for the polyethylene production project (pyrolysis);
- EPC contracts were signed for the project "Unification of the energy system of Western Kazakhstan with UES of Kazakhstan".

3. THE ISSUE OF ATTRACTING STRATEGIC PARTNERS FOR THE IMPLEMENTATION OF PRIORITY PROJECTS HAS BEEN ADDRESSED, IN PARTICULAR, THE FOLLOWING RESULTS HAVE BEEN ACHIEVED:

Intergovernmental agreements have been signed:

- With the State of Qatar to realise the following projects:
 - Construction of a gas processing plant with a capacity of 1 billion cubic metres per year at the Kashagan field.
 - Construction of a gas processing plant with a capacity of 2.5 billion cubic metres per year at the Kashagan field.
 - Construction of a gas processing plant with a capacity of 6 billion cubic metres per year at the Kashagan field.
- Construction of the second string of the Beineu-Bozoi-Shymkent gas trunkline.
- Construction of compressor station KS-14 and main gas pipeline; KS-14 – Kostanai.
- Construction of a power plant based on a combined cycle gas turbine with a capacity of up to 1,000 MW in Kyzylorda region.
- Construction of a hydropower plant with a total capacity of up to 350 MW in the Abay region.
- With the Russian Federation in order to realise the following projects:
 - Construction of Kokshetau TPP;
 - Construction of CHPP-3 in Semey;
 - Construction of Ust-Kamenogorsk TPP.
- With the PRC to implement the project:
 - Construction of a 1 GW wind power plant with energy storage system jointly with China Power International Holding.

AMONG THE SIGNIFICANT ACTIVITIES PLANNED FOR 2025 ON PRIORITY INVESTMENT PROJECTS, IT IS ADVISABLE TO NOTE THE FOLLOWING:

- Completion of construction and installation works for the Kenderli desalination plant and associated infrastructure (with subsequent commissioning of the plant in summer 2025);
- The second tracks on the Dostyk-Moynty section are expected to be completed in 2025;
- Construction of a bypass railway line bypassing the city of Almaty;
- Creation of a container hub with the capacity to handle up to 240,000 TEU annually on the basis of the Aktau port;
- Construction of the Taldykorgan-Usharal gas pipeline;
- Reconstruction of diesel fuel hydrotreatment unit at Pavlodar Petrochemical Plant (PNHZ);
- Expansion of the processing capacity of the road bitumen plant in Aktau.

Low-profit projects

In 2024, in accordance with the instructions of the President and the Government of the Republic of Kazakhstan, there were 2 low-profit projects under implementation:

1. CONSTRUCTION OF A 50,000 M³/DAY DESALINATION PLANT AT KENDERLI

This project is being implemented on the instructions of the Head of State. The new plant will provide Zhanaozen residents with stable access to drinking water. The facility will also reduce the load on the main Astrakhan-Mangyshlak water pipeline for the development of industry in the region. In 2024, the main construction works including motorways, main water line, pumping stations, power lines, substations and internal utility networks have been fully completed. In 2025, site improvement works, installation of process equipment and commissioning of the plant will be completed.

2. LAYING FOCL ALONG THE CASPIAN SEA BED

The Caspian Sea FOCL will connect the countries of Central Asia with a single Internet space.

In 2024, Kazakhtelecom JSC continued working on the international complex project of construction of a fibre-optic line under the Caspian Sea along the Azerbaijan-Kazakhstan route, tender procedures were held to determine the EPC contractor.

The Trans-Caspian project is strategically important for Kazakhstan (and, in general, for the entire Central Asian region), because with its implementation, Kazakhstan will gain additional access to the international transit market, which will make it possible to ensure the transit of global traffic from Asian countries through the territory of Kazakhstan to Azerbaijan with access via Georgia, the Black Sea and Bulgaria to Europe.

The project will also serve as a driver to accelerate the creation of a new digital telecoms corridor and help achieve a higher level of development of high-speed and secure data transmission infrastructure.

The EPC contract and design is planned for 2025. The project is scheduled for completion in 2026.

3. CONSTRUCTION OF INFRASTRUCTURE FACILITIES ON THE TERRITORY OF THE NATIONAL INDUSTRIAL PETROCHEMICAL TECHNOPARK

This project is being implemented in order to develop modern oil and gas chemical cluster, within the framework of which petrochemical production facilities will be realised for the deep processing of hydrocarbon raw materials and production of petrochemical products. The project provides petrochemical production facilities on the territory of the Technopark with the necessary production infrastructure

(energy resources – electricity, steam, water, technical gases) and the relevant general plant infrastructure (depot, roads, pumping station, sewerage, etc.).

In 2024, works continued on the design of infrastructure facilities (water and wastewater treatment, utility network corridor, AGDS, etc.) for polyethylene and butadiene and its derivatives production complexes, and work began on the construction of an evaporation pond. The project is scheduled for completion in 2027.

Priority projects

№.	Project Name	Cost, billion KZT
JSC NC KazMunayGas		12,176.4
1	Construction of Seawater Desalination Plant in Kenderli settlement	127.2
2	Polyethylene production	4,261.0
3	Construction of SSC for the polyethylene project	1,301.0
4	Construction of a new gas processing plant in Zhanaozen	217.6
5	Expansion of production capacity of PKOP LLP to 12 million tonnes per year	3,021.0
6	Construction of a 247 MW hybrid power plant in Zhanaozen together with ENI	135.9
7	Reconstruction of the diesel fuel hydrotreatment unit (DFU)	36.2
8	Expansion of bitumen production by JV CASPI BITUM LLP	47.5
9	Kalamkas Sea and Hazaras	3,029.0
JSC NC QazaqGaz		5,388.9
10	Construction of a gas processing plant at Kashagan deposit (1 bn m³)	517.0
11	Construction of a gas processing plant at Kashagan deposit (2.5 bn m³)	1,034.0
12	Increase in capacity of the Beineu-Bozoi-Shymkent MG (construction of the 2nd string	3,196.0
13	Construction of a new compressor station KS-14 of Krasnooktyabrskoye LPU of Aktobe Gas Trunkline Management and a new trunk gas pipeline KS-14 – Kostanai	517.0
14	Construction of the Taldykorgan-Usharal gas pipeline	124.9
Samruk-Energy JSC		10,255.6
15	Modernisation of Almaty TPP-2 with minimisation of environmental impact	436.0
16	Reconstruction of Almaty TPP-3 based on CCGT with capacity up to 450 MW	341.3
17	Auto-conveyor technology of overburden transportation at Bogatyr open pit mine	22.5
18	Expansion and reconstruction of EGRES-2 with installation of power unit st.No.3	792.8
19	Expansion of Ekibastuz GRES-2 with installation of power unit st.No.4	908.7
20	Construction of a power plant based on clean coal technologies GRES-3	1,034.0
21	Construction of Kokshetau TPP	593.1

№.	Project Name	Cost, billion KZT
22	Construction of CHPP-3 in Semey	789.1
23	Construction of Ust-Kamenogorsk CHPP	865.1
24	Construction of the Semipalatinsk HPP	530.4
25	Construction of a hydro-storage plant in the Republic of Kazakhstan	n/a
26	CCPP-based power plant in Kyzylorda region	793.8
27	Expansion to 810 MW WES in Almaty region (Power China) Stage 1 – 70 MW HPP; Stage 2 – 240 MW WPP; Stage 3 – 500 MW WPP	516.2
28	Construction of 800 MW RES with China Energy Overseas Investment Co. (Energy China)	475.2
29	Construction of 1 GW wind power plant with energy storage system with "Total Eren"	552.0
30	Construction of a 1 GW wind power plant with energy storage system together with Masdar	690.0
31	Construction of a 1 GW wind power plant with energy storage system jointly by China Power International Holding Ltd.	552.0
32	Construction of power plants with a total capacity of up to 1 GW with UNIGRIN ENERGY	363.4
CCPP Turkestan LLP		861.3
33	Construction of a CCGT-based power plant with a capacity of up to 1,000 MW in Turkestan region	861.3
KEGOC		357.8
34	Unification of the energy system of Western Kazakhstan with UES of Kazakhstan	180.2
35	Strengthening of the power grid of the Southern Zone of UES of Kazakhstan	137.6
36	Strengthening of the external power supply scheme of Astana city (construction of power grid facilities)	40.0
Kazatomprom JSC		113.5
37	Construction of a sulphuric acid plant with a capacity of 800,000 tonnes per year	113.5
NC Kazakhstan Temir Zholy JSC		1,565.8
38	Creation of container hub on the basis of Aktau port	20.0
39	Modernisation of the Dostyk-Moynty railway corridor	542.8
40	Construction of a bypass railway line bypassing the railway junction of Almaty station	151.0
41	Construction of the Darbaza-Maktaaral railway line	286.0
42	Construction of the Moynty-Kyzylzhar railway line (320 km)	566.0
Kazakhtelecom JSC		559.9
43	Construction of 5G network in the Republic of Kazakhstan	536.9
44	Laying a FOCL backbone in the Caspian Seabed	23.0
Karabatan Utility Solutions LLP		619.0
45	Construction of infrastructure facilities of the special economic zone "NINT" (Karabatan site)	619.0
Samruk-Kazyna Construction JSC		1,423.1
46	Implementation of the pilot Comfortable Schools National Project	1,423.1
TOTAL		33,321.3

Samruk-Kazyna Invest



Samruk-Kazyna Invest LLP is a financially stable investment company, which in co-operation with strategic partners realises direct investments in various projects on the territory of the Republic of Kazakhstan.

The main objective of Samruk-Kazyna Invest is to diversify the investment portfolio of Samruk-Kazyna JSC.

Samruk-Kazyna Invest aims to stimulate economic development by creating new industries, creating

quality jobs, reducing dependence on imports, increasing exports, and attracting foreign investment and technology.

KEY PERFORMANCE RESULTS 2024

Indicator	2023	2024
Financial indicators, KZT million:		
Net gain on financial instruments at fair value through profit or loss	23,069	26,492 ²⁶
Dividends received	2,115	3,803
Operating expenses	(1,721)	(1,587)
Income (loss) from operating activities	23,463	28,707
Finance income (expense), net	(4,885)	27,228
Income (loss) before taxation	18,578	55,935
Corporate income tax expenses	(2,163)	(10,185)
Profit (loss) for the period	16,415	45,750

²⁶ Values between years vary mainly due to the revaluation of financial assets measured at fair value.

PLANS FOR 2025

In 2025, SK Invest plans to expand its investment portfolio by investing in innovative projects in the manufacturing industry, in particular instrumentation and machine building.

The total value of the projects is KZT 140 billion, including foreign direct investment of KZT 56.3bn from investors from China and Italy, each KZT of SK Invest's investment should bring foreign direct investment of KZT 2.7.

Given the current socio-economic dynamics of Kazakhstan and the significant role of the Fund in the economic development of the country, preference will be given to investments within the country, namely, in strategic projects with international strategic investors.

At the global level, the Fund aims to diversify its investment portfolio by enriching it with industrial projects with a high level of economic added value and export potential.

In the international arena, the focus will be on co-operation with leading global organisations and sovereign wealth funds to jointly implement various initiatives and projects.

In 2025, SK Invest will launch one of the key industrial projects aimed at developing green energy and localising high-tech production in Kazakhstan. A large-scale project to build a high-tech plant for the production of components for wind power plants has been launched with foreign partners. The plant with a capacity of 2GW will be built on the territory of FEZ "Jibek Joly" in Zhambyl region by the end of 2025. Also, a project is being developed to organise assembly production of special equipment in Kazakhstan.

In addition, a project is being prepared in Almaty to create a high-tech enterprise for the production of digital gas meters with telemetry function in partnership with the Chinese company Goldcard Smart Group.