

Support for Socially Oriented Construction



Samruk-Kazyna Construction JSC is a real estate development company. In accordance with Resolution No. 963 of the Government of the Republic of Kazakhstan dated 30 November 2022, the Company has been designated as the Directorate within the framework of the implementation of the Comfortable School national pilot project.

The company was established on 6 March 2009 by the Government of the Republic of Kazakhstan. Its main purpose was to stabilise the situation in the real estate market, in particular, to solve the problems of participants in shared construction and to complete the construction of problem properties. Initially, the Company's objective was to acquire residential and commercial properties under construction and ensure their effective management. As a national operator, the Company contributed to the implementation of government programmes such as the Anti-Crisis Programme, Affordable Housing 2020 and Nurly Zher.

CONSTRUCTION OF

104

schools has been completed across the country



KEY PERFORMANCE RESULTS 2024

Indicator	2023	2024
Commissioning of real estate, '000 m ²	82.00	17.75
Realised real estate, '000 m ²	96.66	16.51
ROACE, %	7.04	9.91
Debt/Equity, coefficient	0.76	0.26
NAV, KZT million	77,891.0	86,457.9
Output of non-resource goods and services, '000 KZT	28,209.9	27,108
Labour productivity ²⁷ , million KZT/person	53.64	40.31
Financial indicators, KZT million:		
Revenue	19,316.4	21,202.6
Gross profit	13,326.3	11,963.5
Dividends	6,437.1	7,919.5
Net profit	7,437.3	8,621.8
Current costs	12,497.9	15,115.1
Operating profit	5,241.4	8,908.3
Net debt	46,374.6	15,974.3
Taxes paid, billion KZT	1.365	5.036
Sustainable development indicators:		
Accidents	0	0
Fatal accidents	0	0
The amount of heat and electricity consumed:		
Electricity, '000 kWh	4,828	3,857
Heat supply, Gcal	4,903	3,721

²⁷ The indicator is based on the methodology of the Fund dated 09.12.2021 according to the decision of the Management Board of Samruk-Kazyna JSC, Minutes No. 55/21.

FINANCIAL RESULTS

In line with the Nation Address "Fair Kazakhstan: Law and Order, Economic Growth, Public Optimism" delivered by the Head of State on 2 September 2024, the construction of 151 schools was cancelled at the second phase of the Comfortable School project. Financing of the project was adjusted from KZT 2.3 trillion to KZT 1.4 trillion.

In addition, Kazakhstan's construction industry in 2024 faced a number of challenges caused not only by external, but also by internal factors: problems with engineering networks and lack of infrastructure, open issues related to implementation with the e-Qurylys national

online platform which have caused difficulties for property developers, rising property prices, declining purchasing power and others.

Since the Company's activities are continuously connected with housing, social and industrial construction, the above factors had a negative impact on financial and production indicators. At the end of 2024, the Company's net income totalled KZT 8,622 million with a planned net income of KZT 13,097 million.

COMFORTABLE SCHOOL

In line with Resolution No. 963 On approval of the pilot national project in the field of education "Comfortable School adopted by the Government of the Republic of Kazakhstan on 30 November 2022, the Company was designated as the Directorate for targeted construction of facilities of secondary education organisations in 2023. Samruk-Kazyna Construction JSC carries out the project management in accordance with the Rules of rendering engineering services in the sphere of architectural, town-planning and construction activities and is vested with the function of the customer.

As of 31 December 2024, the construction of 104 schools had been completed in 3 megacities and 16 regions of Kazakhstan, including 2 schools for 1,200 pupils put into operation and transferred to the management of local authorities. The deviation from the plan and postponement of the completion of construction of 104 schools to 2025 is due to changes in the timing of obtaining favourable conclusions on design and estimate documents and project financing.

Within the framework of the Comfortable School national project, the participation of domestic manufacturers is enshrined in

legislation. As the Directorate of the national project, the Company ensures, as per concluded turnkey design and construction contracts, that the procurement of furniture products exclusively from individuals and legal entities that are in the register of commodity producers of Samruk-Kazyna JSC and/or the register of domestic producers (industry register on the basis of the certificate of origin of goods of the ST-KZ form and/or industrial certificate) of NPP Atameken.

In the design and estimate documents, which received a positive opinion of Gosexpertiza Expert Review Board, the share of Kazakh content is about 76.8%.

In 2024, contractor organisations created more than 17,000 temporary jobs during the construction of comfortable schools.

In 2024, the company implemented the Bitrix project management information system with integration into the e-Qurylys portal as part of the Comfortable School National Project. For the first time on the e-Qurylys platform, construction companies signed electronic certificates of acceptance of work, as well as made settlements and payments for services

rendered in electronic format. Data on all 208 facilities were entered into the system.

In addition, a video monitoring service has been integrated into the Bitrix system, which allows

round-the-clock monitoring of construction progress. All stakeholders, including government agencies, akimats, customers and builders, have real-time access to cameras, which ensures the transparency of the process.

SUPPORT FOR THE CONSTRUCTION INDUSTRY

The Company invests in the construction of new real estate projects to enhance the affordability of housing for the population and support construction companies. Financing of these projects is carried out by attracting borrowed funds on market terms and own funds. For the period from 2020 the Company has concluded investment agreements on construction of 19 objects in the cities of Astana, Almaty, Atyrau, Aktobe, Konaev, Kokshetau, Aksu (Pavlodar region), Ust-Kamenogorsk and Taraz. The pool of commercial and residential real estate of the Company under the concluded ACAs as of 31 December 2024 is 309,900 m² and 996 parking places, the volume of investments of the Company is KZT 60.68 billion, including land plots transferred (under the Residential Complex Akkent in Almaty and Residential Complex on Millennium Alley 1 stage in Astana projects) worth KZT 2.2 billion.

As of 31 December 2024, eight of the above projects had been completed, and the developers have returned the Company's

investments and investment income. For the remaining projects, the developers violated the terms of investment repayment. The total amount of debts not timely repaid by the developers is KZT 24.2 billion. The main reasons for the arrears are untimely financing by developers of their share in the projects and problems with realisation of real estate due to insolvency of the population.

In the reporting period, on 14 June 2024, the housing and communal services were commissioned in Ust-Kamenogorsk, total area – 22,200 m², including the area of the Company – 17,700 m².

In 2024, no contracts were concluded on new investment projects due to the decision to suspend investment activities on new projects until the completion of the Comfortable School national pilot project.

PLANS FOR 2025

The Company plans to complete construction of 104 comfortable schools by the end of 2025. As part of investment activities, it is planned to complete construction of residential complexes in the cities of Astana, Taraz, and Kokshetau.

To streamline its business processes, the Company will continue to work on digitalisation and implementation of modern project management methods compliant with international standards.