Joint-Stock Company
'Investment Fund of Kazakhstan'

Consolidated financial statements in accordance with International Financial Reporting Standards for the year ended 31 December 2025 and the independent auditor's report

CONTENTS

KAZAKHSTAN INVESTMENT FUND JSC

MANAGEMENT'S STATEMENT ON RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Management is responsible for the preparation of the consolidated financial statements of JSC 'Investment Fund of Kazakhstan' (hereinafter referred to as the 'Group'), which give a true and fair view of the Group's financial position as at 31 December 2025, as well as the financial performance, cash flows and changes in equity for the year ended 31 December 2025, in accordance with International Financial Reporting Standards ('IFRS').

In preparing the consolidated financial statements, management is responsible for:

- ensuring the appropriate selection and application of accounting policies;
- presenting information, including accounting policies, in a form that ensures the relevance, reliability, comparability and understandability of such information;
- disclosing additional information where compliance with IFRS is insufficient to enable users of the information to understand the impact that particular transactions, as well as other events or conditions, have on the Group's financial position and financial performance; and
- assessing the Group's ability to continue as a going concern.

The Group's management is also responsible for:

- developing, implementing and maintaining an effective and reliable internal control system for the Group;
- maintaining records in a form that enables the Group's transactions to be disclosed and explained, and provides information of sufficient accuracy regarding the Group's financial position at any date, and ensures that the consolidated financial statements comply with IFRS;
- maintaining accounting records in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonable measures to ensure the safety of the Group's assets;
- identifying and preventing instances of financial and other misconduct.

The Group's consolidated financial statements for the year ended 31 December 2025 were authorised for issue by management on 10 March 2026.

On behalf of the management of JSC 'Investment Fund of Kazakhstan':

Moldakhmet Mansur Serikuly

Chairman of the Management Board

Bibigul Zhantureyevna Tulegenova

Chief Accountant

Almaty, Republic of Kazakhstan

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Management of JSC 'Investment Fund of Kazakhstan'

Opinion

We have audited the consolidated financial statements of JSC 'Investment Fund of Kazakhstan' (hereinafter referred to as the 'Group'), comprising the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, as well as the notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as the 'consolidated financial statements').

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2025, as well as its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are set out in the section *'The auditor's responsibilities for the audit of the consolidated financial statements'* of our report. We are independent of the Group in accordance with *the Code of Ethics* for *Professional Accountants* of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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

The key audit matters for the 2025 financial year are those matters which, in our professional judgement, were of most significance to our audit of the consolidated financial statements for the current period. These matters were considered in the context of our audit of the consolidated financial statements as a whole and in forming our opinion on those financial statements, and we do not express a consolidated opinion on these matters.

Key audit matters	How this matter was addressed during our audit
Classification and accounting for non-current assets held for sale (IFRS 5)	
In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Fund classified certain assets as held for sale, amounting to KZT 10,181,189 thousand as at 31 December 2025. The classification of assets as non-current assets held for sale requires the fulfilment of strict criteria, including the existence of an active plan to sell and a high probability of the transaction being completed within 12 months. The estimation of fair value less costs to sell and the probability of disposal involve a high degree of uncertainty, making this a key issue.	We verified that the classification of assets complied with the requirements of IFRS 5, including the existence of an approved disposal plan and documentary evidence of intent. We reviewed the key assumptions used in the fair value measurement of assets held for sale, based on independent valuations, by comparing them with market data. We tested and analysed the estimated transaction costs deducted from the calculated fair value.

Responsibility of management and those charged with governance for the preparation of the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS and for the internal control system that management deems 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, for disclosing, where applicable, information relating to going concern, and for preparing the financial statements on a going concern basis, except where management intends to liquidate the Group, to cease its operations, or where it has no realistic alternative but to liquidate or cease operations.

Those charged with governance are responsible for overseeing the preparation of the Group's consolidated financial statements.

The auditor's responsibility for the audit of the consolidated financial statements

Our objective is to obtain reasonable assurance that the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report setting out our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect material misstatements if they exist.

Misstatements may result from fraud or error and are considered material if it can reasonably be expected that, individually or in the aggregate, they could influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. In addition, we do the following:

- 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 the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the circumvention of internal control;
- we obtain an understanding of the internal control system relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control system;

The auditor's responsibility for the audit of the consolidated financial statements, continued

- we evaluate the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and related disclosures prepared by management;
- we conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether there is material uncertainty 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 there is material uncertainty, we are required to draw attention in our audit 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 audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We assess the presentation of the consolidated financial statements as a whole, their structure and content, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that ensures a fair presentation.

We communicate with those charged with corporate governance, informing them, amongst other things, of the planned scope and timing of the audit, as well as of significant observations arising from the audit, including any material weaknesses in the internal control system that we identify during the audit.

We also provide those charged with governance with a statement confirming that we have complied with all relevant ethical requirements regarding independence and have informed them of all relationships and other matters that might reasonably be considered to affect the auditor's independence, and, where necessary, of the appropriate safeguards.

From the matters we have brought to the attention of those charged with governance, we identify those that were most significant to the audit of the consolidated financial statements for the current period and are therefore key audit matters. We describe these matters in our audit report, except where public disclosure of such matters is prohibited by law or regulation, or where, in extremely rare cases, we conclude that information regarding a particular matter should not be included in our report because it is reasonable to expect that the adverse consequences of such disclosure would outweigh the public benefit of its disclosure.

Erzhan Tumabekov
Managing Director
Anderson Qazaqstan LLP

State licence to carry out auditing activities in the Republic of Kazakhstan No. 24017401, issued by the Financial Control Committee of the Ministry of Finance of the Republic of Kazakhstan on 26 April 2024

Kuanysh Mukhashev
Auditor

Certificate of Qualification
No. MF-00001327 dated 15 January 2021

10 March 2026

Almaty, Republic of Kazakhstan

Kazakhstan Investment Fund JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

In thousand tenge	Note	As at 31 December 2025	As at 31 December 2024
Assets			
Fixed assets and intangible assets		141,384	139,776
Loan receivables		955	47,495
Financial assets at fair value through profit or loss	6	620,489	415,198
Long-term receivables	7	336,840	723,012
Non-current assets held for sale	8	10,181,189	10,578,727
Deferred tax assets	18	36,456	74,613
Inventories		191,559	215,559
Prepayment of income tax		257,494	250,017
Other current assets	9	103,902	83,815
Cash and cash equivalents	10	867,653	910,788
Total assets		**12,737,921**	**13,439,000**
Capital	11		
Share capital		61,112,000	61,112,000
Share premium		7,412,246	7,412,246
Additional paid-in capital		7,031,154	7,031,154
Accumulated loss		(62,993,003)	(62,268,832)
Total equity		**12,562,397**	**13,286,568**
Liabilities			
Other current liabilities	12	175,524	152,432
Total liabilities		**175,524**	**152,432**
Total equity and liabilities		**12,737,921**	**13,439,000**

These consolidated financial statements have been approved by the Company's management and signed on its behalf:

Moldakhmet Mansur Serikuly
Chairman of the Management Board

Bibigul Zhantureyevna Tulegenova
Chief Accountant

10 March 2026

The explanatory notes form an integral part of these consolidated financial statements

Kazakhstan Investment Fund JSC
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2025

In thousand tenge	Note	2025	2024
Interest income	13	219,581	590,451
Interest expense	13	–	(740,565)
Net interest income/expense		**219,581**	**(150,114)**
Net profit from transactions in financial instruments measured at fair value through profit or loss	6	266,954	49,627
Gains on disposal of assets held for sale	8	239,533	–
Other income	14	257,773	1,438,412
Other expenses		(105,237)	(3,819)
Foreign exchange gains		–	1,446
Operating profit		**878,604**	**1,335,552**
General and administrative expenses	15	(1,190,656)	(824,166)
Reversal of credit losses	16	54,328	803,138
Other impairment losses	17	(428,290)	(256,161)
Loss/profit before income tax		**(686,014)**	**1,058,363**
Income tax expense	18	(38,157)	(106,397)
Net loss/profit for the year		**(724,171)**	**951,966**
Other comprehensive income		–	–
Total comprehensive loss/income for the year		**(724,171)**	**951,966**

These consolidated financial statements have been approved by the Company's management and signed on its behalf:

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Chairman of the Management Board

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Chief Accountant

10 March 2026

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Kazakhstan Investment Fund JSC
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2025

In thousand tenge	2025	2024
OPERATING ACTIVITIES		
Interest income received	118,528	84,481
Cash inflows from the settlement of long-term receivables (Note 7)	551,070	748,399
Proceeds from the disposal of assets held for sale (Note 8)	239,533	–
Cash inflows from the settlement of claims	29,000	–
Rental income received	123,699	103,077
Other income received	15,293	644,767
Cash paid to employees	(382,352)	(224,460)
Other taxes and contributions paid	(301,150)	(237,025)
Cash paid to suppliers	(491,965)	(414,954)
Cash (used in) from operating activities before interest and income tax	(98,344)	704,285
Income tax paid	(7,000)	(15,308)
Net cash flow (used in) from operating activities	**(105,344)**	**688,977**
INVESTING ACTIVITIES		
Repayment of financial assets measured at fair value through profit or loss (Note 6)	61,865	18,400
Net cash flow from investing activities	**61,865**	**18,400**
Effect of exchange rates against the tenge	–	(988)
Effect of changes in expected credit losses on cash and cash equivalents	344	(119)
Net (decrease)/increase in cash and cash equivalents	**(43,135)**	**706,270**
Cash and cash equivalents at the beginning of the year	910,788	204,518
Cash and cash equivalents at the end of the year	**867,653**	**910,788**

These consolidated financial statements have been approved by the Company's management and signed on its behalf:

Moldakhmet Mansur Serikuly
Chairman of the Management Board

Bibigul Zhanturayevna Tulegenova
Chief Accountant

10 March 2026

The explanatory notes form an integral part of these consolidated financial statements.

Kazakhstan Investment Fund JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the year ended 31 December 2025

In thousand tenge	Share capital	Share premium	Additional paid-in capital	Fair value reserve for securities	Accumulated loss	Total
As at 1 January 2024	**61,112,000**	**7,412,246**	**7,031,154**	**(502,711)**	**(62,718,087)**	**12,334,602**
Reversal of revaluation reserve				502,711	(502 711)	–
As at 1 January 2024, restated	**61,112,000**	**7,412,246**	**7,031,154**	–	**(63,220,798)**	**12,334,602**
Net profit for the year	–	–	–	–	951,966	951,966
Total comprehensive income for the year	–	–	–	–	951,966	951,966
As at 31 December 2024	**61,112,000**	**7,412,246**	**7,031,154**	–	**(62,268,832)**	**13,286,568**
Net loss for the year	–	–	–	–	(724,171)	(724,171)
Total comprehensive loss for the year	–	–	–	–	(724,171)	(724,171)
As at 31 December 2025	**61,112,000**	**7,412,246**	**7,031,154**	–	**(62,993,003)**	**12,562,397**

These consolidated financial statements have been approved by the Company's management and signed on its behalf:

Moldakhmet Mansur Serikuly
Chairman of the Management Board

Bibigul Zhanturayevna Tulegenova
Chief Accountant

10 March 2026

The explanatory notes form an integral part of these consolidated financial statements

1. GENERAL INFORMATION

Joint Stock Company "Investment Fund of Kazakhstan" (hereinafter referred to as the "Company") was registered in accordance with the legislation of the Republic of Kazakhstan on 30 May 2003.

The Company's registered and actual address is: 160 Dostyk Avenue, Almaty, Republic of Kazakhstan, postcode 050051.

These consolidated financial statements include the Company and its subsidiaries (hereinafter referred to as the "Group").

Shareholders

		2025		2024	
Shareholders	Country of registration	Ownership interest, %	thousand tenge	Ownership interest, %	thousand tenge
JSC 'Problem Loans Fund'	Kazakhstan	100%	61,112,000	–	–
State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan	Kazakhstan	–	–	100%	61,112,000
		100%	**61,112,000**	**100%**	**61,112,000**

On 22 July 2025, in accordance with the Law of the Republic of Kazakhstan 'On Joint-Stock Companies', the Law of the Republic of Kazakhstan 'On State Property', Resolution of the Government of the Republic of Kazakhstan No. 187 of 29 March 2025 'On Amending Resolution of the Government of the Republic of Kazakhstan No. 896 of 11 October 2023', and Resolution of the Government of the Republic of Kazakhstan No. 659 of 27 May 1999 "On the transfer of rights to own and use state shareholdings and ownership interests in organisations under republican ownership", pursuant to Order No. 495 of the State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan dated 22 July 2025, the rights to manage 100% of the state shareholding were transferred the state shareholding in JSC "Investment Fund of Kazakhstan".

The transaction constituted a change in the ownership structure and did not result in a change in the Company's authorised capital (see Note 11).

Subsidiaries and associates

Company name	as at 31 December 2025 ownership interest, %	as at 31 December 2024 Ownership interest, %
Subsidiaries		
KazTextilProm LLP	100%	100%
Hantau Mining LLP	100%	100%
Associated companies		
White Fish of Kazakhstan JSC	42%	42%
Dosjan Temir Joly JSC	49%	49%
Kazakhstan Invest Komir JSC	49%	49%
Bulgarkonservprodukt JSC	49%	49%
EcoProductGroup JSC	41%	41%
Kadamzhai Antimony Plant OJSC	35%	35%
Urker Cosmetic JSC	35%	35%
ZaisanRibaProduct JSC	35%	35%
Ural Metal Structures and Galvanising Plant JSC	30%	30%
Kasiet OJSC	26%	26

Investments in associates in previous periods became impaired and were fully written down as a result of counterparties breaching the terms of joint project implementation agreements. The Group is currently pursuing claims and legal proceedings within the framework of enforcement proceedings and bankruptcy.

Anderson
Qazaqstan

1. GENERAL INFORMATION, continued

Hantau Mining LLP

By the order on the transfer of the debtor's assets dated 17 March 2022, as well as the ruling of the Esil District Court of Astana dated 14 January 2022, a settlement agreement was approved, under which one of the partners of Hantau Mining LLP D.P. Nikitin transferred a 49% share, amounting to 26,466 thousand tenge, to JSC 'Investment Fund of Kazakhstan'. In 2022, JSC 'Investment Fund of Kazakhstan' held a pre-emptive right to purchase a 51% interest in Hantau Cement Stroy LLP in the authorised capital of Hantau Mining LLP at a sale price of 13,497 thousand tenge.

In March 2022, JSC 'Investment Fund of Kazakhstan' became the sole shareholder of Hantau Mining LLP, holding a 100% interest, as evidenced by an extract from the Minutes of the Board of Directors' Absentee Vote No. 6 dated 24 March 2022. The company is the sole shareholder of Hantau Mining LLP within the framework of enforcement proceedings based on court decisions; the initial investment cost was zero tenge.

Hantau Mining LLP, taking into account the subsoil use rights under Contract No. 26 of 17 August 2007 for the extraction of limestone at the 'Hantau-1' deposit in the Moyinkum District of the Zhambyl Region, is an integral part of the 'ACIG' project (cement production plant).

Certificate of state re-registration dated 11 April 2022; initial state registration of the legal entity on 6 June 2013.

Registered office: Kazakhstan, Shymkent, Enbekshin District, Zhuldyz Residential Area, Building 336, postcode 160000.

Hantau Mining LLP is engaged in the development of gravel and sand quarries, as well as providing administrative and support services. According to the Articles of Association, its main activity is the development of gravel and sand quarries.

KazTextilProm LLP

Extract from the Minutes of the Absentee Voting of the Board of Directors of JSC 'Investment Fund of Kazakhstan' No. 6 of 24 March 2022, a decision was taken to establish a legal entity, for the purposes of the rational application of tax legislation and the utilisation of tax incentives and preferences, with a 100% ownership interest in KazTextileProm LLP, which was registered in accordance with the legislation of the Republic of Kazakhstan on 29 March 2022.

On 18 April 2022, KazTextileProm LLP and JSC 'Ontustik SEZ Management Company' entered into Agreement No. 34/22 on conducting activities as a participant in the 'Ontustik' Special Economic Zone. A certificate of registration as a participant in the SEZ No. 04-070 dated 20 April 2022 was received.
Pursuant to the decision of the Company's Board of Directors dated 2 June 2022, the authorised capital of KazTextileProm LLP was increased by transferring part of the assets (textile equipment) under the 'Textiles.kz' project to the balance sheet.
Pursuant to the decisions of the Fund's Board of Directors No. 11 of 1 July 2022 and No. 12 of 1 August 2022, the textile equipment was sold.

Registered address: Kazakhstan, Almaty, Medeu District, 80/4 Zenkov Street, postcode 050010.

The main activity of KazTextileProm LLP is the manufacture of finished textile products, including knitted and crocheted goods, as well as sewing, weaving, spinning and finishing operations. The company also produces non-woven products. The main activity is the production of cotton fabrics.

Group Activities

The Group's primary objective is to contribute to the implementation of the Republic of Kazakhstan's industrial and innovation development strategy through investment in specific sectors of the economy.

Anderson Qazaqstan

1. GENERAL INFORMATION, continued

The Group's main activities are:

- Management of the existing loan portfolio;
- Making investments in specific sectors of the economy.

Since 2013, the Group has also been involved in the acquisition of impaired loans from JSC 'Development Bank of Kazakhstan' (hereinafter – DBK) and their subsequent management.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Statement of Compliance with IFRS

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (hereinafter 'IFRS') as issued by the International Accounting Standards Board (hereinafter 'IASB').

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for securities carried at fair value, changes in which are recognised in profit or loss for the period. The principal accounting policies applied in the preparation of these consolidated financial statements are set out in Note 3. These policies have been applied consistently to all periods presented in the financial statements, unless otherwise stated.

Going concern principle

These consolidated financial statements have been prepared in accordance with IFRS, based on the assumption that the Group will continue as a going concern.

This implies the realisation of assets and settlement of liabilities in the course of its ordinary activities in the foreseeable future. Although the Group has an accumulated deficit as at 31 December 2025 and 2024, management believes that the Group will be able to generate sufficient cash to meet its obligations as they fall due and will be able to continue as a going concern, as shareholders will provide financial support.

Accrual basis

These consolidated financial statements have been prepared in accordance with the accrual basis of accounting. The accrual basis ensures that the results of economic transactions and events are recognised when they occur, regardless of when payment is made. Transactions and events are recorded in the accounts and included in the consolidated financial statements for the periods to which they relate.

Basis of consolidation

The consolidated financial statements present the financial position of the Group as at 31 December 2025, as well as the Group's financial performance for the year ended on that date.

Subsidiaries are entities over which the Group exercises control. Control exists when the Group has the power to direct, directly or indirectly, the activities of an entity that have a significant impact on the income derived by the Group from its involvement in the management of that entity. The financial statements of subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is effectively lost. When the Group ceases to control an entity, the remaining interest in that entity is remeasured to its fair value, with the adjustment to the carrying amount recognised in profit or loss. Fair value is taken as the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, a joint venture or a financial asset. Furthermore, any amounts previously recognised in other comprehensive income in respect of such an entity are accounted for as if the Group had directly sold the relevant assets or liabilities.

Anderson Qazaqstan

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS, continued

Such recognition may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The financial statements of subsidiaries are prepared for the same financial year as the Company's financial statements, in accordance with consistent accounting policies. All intra-group accounts and transactions, including unrealised gains on intra-group transactions, are eliminated in full.

Unrealised losses are eliminated in the same way as unrealised gains, except that they are eliminated only to the extent that there is no evidence of impairment.

Operating environment

The Group's long-term economic stability also depends on economic stability, both domestically and globally, and on changes in the political and business environment in the Republic of Kazakhstan.

As it is not currently possible to determine the final outcome of these matters, the consolidated financial statements do not include any adjustments that might result from this uncertainty. Such adjustments, if any, will be recognised in the Group's consolidated financial statements in the period in which the need for their recognition becomes apparent and their amounts can be estimated. The Group's management cannot predict either the scale or the duration of the economic difficulties, nor determine their impact, if any, on these consolidated financial statements.

Functional currency and presentation currency

The national currency of Kazakhstan is the Kazakhstani tenge (hereinafter 'tenge'), which is the Group's functional currency and the currency in which these consolidated financial statements are presented. All financial information presented in tenge is rounded to the nearest thousand (hereinafter 'thousand tenge').

3. KEY ACCOUNTING POLICIES

Business combinations

Business combinations are accounted for using the acquisition method. The cost of the acquisition is determined as the sum of the consideration transferred by the acquirer, measured at fair value at the acquisition date, and the non-controlling interests in the acquiree. For each specific business combination, the Group determines the method of measuring non-controlling interests — either at fair value or on the basis of a proportionate share of the identifiable net assets of the acquiree. Transaction costs are not capitalised and are recognised as administrative expenses in the period in which they are incurred.

When acquiring a business, the Group classifies and recognises the financial assets acquired and liabilities assumed, taking into account the terms of the transaction, the economic context and other relevant factors at the acquisition date. This also includes an analysis of the need to separate embedded derivatives in the underlying contracts of the acquired company.

A contingent consideration to be transferred in the future is recognised at fair value at the acquisition date. If such consideration is classified as an equity component, it is not subject to remeasurement, and its subsequent settlement is recognised directly in equity. If a contingent consideration is classified as an asset or liability subject to the requirements of IFRS 9 'Financial Instruments', it is remeasured at fair value, and changes are recognised in the income statement. Other forms of contingent consideration not covered by IFRS 9 are also remeasured at each reporting date, with the corresponding changes in fair value recognised in profit or loss.

Anderson
Qazaqstan

3. KEY ACCOUNTING POLICIES, continued

Goodwill arising from business combinations is initially recognised at cost, defined as the excess of the sum of the consideration transferred, recognised non-controlling interests and previously held equity interests over the net fair value of the identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired exceeds the consideration transferred, the Group reassesses the correctness of the identification and measurement of all acquired assets and liabilities, as well as the measurement methods. If, following the reassessment, the excess remains, the corresponding amount is recognised as profit in the income statement.

Subsequently, goodwill is carried at cost less any accumulated impairment losses. For the purposes of impairment testing, from the acquisition date, goodwill is allocated to those cash-generating units that are expected to benefit from the business combination in question — regardless of whether other assets or liabilities of the acquired company form part of those units.

In the event of the disposal of a portion of the unit to which the goodwill was allocated, the corresponding portion of the goodwill is included in the carrying amount of the disposed operation when determining the financial result from the disposal. In this case, the amount of goodwill to be written down is measured in proportion to the share of the fair value of the disposed part in the total fair value of the cash-generating unit.

Fair value measurement

The Group accounts for financial assets at fair value with changes in fair value recognised in profit or loss, and available-for-sale securities at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an arm's-length transaction between market participants at the measurement date.

The measurement of fair value assumes that the transaction to sell the asset or settle the liability takes place:

- on the market that is the principal market for that asset or liability; or
- in the absence of a principal market, in the market most advantageous for that asset or liability.

The Group must have access to the principal or most advantageous market at the measurement date. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing that asset or liability, provided that market participants act in their best economic interests.

The measurement of the fair value of a non-financial asset takes into account the ability of a market participant to generate economic benefits through the best and most efficient use of the asset or through its sale to another market participant who would use the asset in the best and most efficient manner.

The Group uses valuation methods that are appropriate in the circumstances and for which sufficient data is available to measure fair value, making maximum use of relevant observable inputs and minimum use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are classified within the fair value hierarchy based on the lowest-level inputs that are significant to the fair value measurement as a whole.

Anderson
Qazaqstan

3. KEY ACCOUNTING POLICIES, continued

For assets and liabilities recognised in the consolidated financial statements on a recurring basis, the Group determines any reclassifications between levels of the fair value hierarchy by re-analysing the classification (based on the lowest-level inputs that are significant to the fair value measurement as a whole) at the end of each reporting period.

In the statement of financial position, the Group presents assets and liabilities based on their classification as current or non-current. An asset is classified as current if:

- it is expected to be realised or is intended for sale or consumption within the normal operating cycle;
- it is held principally for trading purposes;
- it is expected to be realised within 12 (twelve) months after the end of the reporting period; or
- it is cash or a cash equivalent, unless there are restrictions on its exchange or use to settle liabilities that remain in force for at least twelve months after the end of the reporting period.

All other assets are classified as non-current.

A liability is current if:

- it is expected to be settled within the normal operating cycle;
- it is held principally for trading purposes;
- it is due to be settled within 12 months after the end of the reporting period;

or

- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

For the purposes of fair value disclosure, the Group has classified assets and liabilities based on their nature, inherent characteristics and risks, as well as the applicable level in the fair value hierarchy, as set out below.

All assets and liabilities for which fair value is disclosed in the financial statements are classified within the fair value hierarchy described below on the basis of the lowest-level inputs that are significant to the fair value measurement as a whole:

- Level 1 – Unadjusted price quotes from active markets for identical assets or liabilities;
- Level 2 – Valuation models in which the inputs that are significant to the fair value measurement, relating to the lowest level of the hierarchy, are directly or indirectly observable in the market;
- Level 3 – Valuation models in which the inputs that are significant to the fair value measurement and relate to the lowest level of the hierarchy are not observable in the market.

Revenue from contracts with customers

The Group's activities relate to the management of a loan portfolio and the associated property assets. Revenue from contracts with customers is recognised when control of the assets is transferred to the customer and is measured at the amount reflecting the consideration to which the Group expects to be entitled in exchange for such assets.

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3. KEY ACCOUNTING POLICIES, continued

The Group has concluded that it acts as the principal in all contracts it has entered into that provide for the receipt of revenue, as in all cases it is the primary party assuming the contractual obligations, has discretion over pricing, and is also exposed to credit risk.

The Group assesses whether the contract contains other promises that constitute separate performance obligations to which a portion of the transaction price must be allocated.

When determining the transaction price in the case of asset sales, the Group takes into account the impact of a significant financing component.

Significant financing component

In some cases, the Group's customers pay on deferred terms over a significant period of time; therefore, in such circumstances, the contracts contain a significant financing component. When determining the transaction price, the Group adjusts the promised consideration to reflect the time value of money; the Group determines the transaction price by discounting the amount of the promised consideration. The Group applies a practical expedient in respect of short-term trade receivables. Under this expedient, the promised consideration is not adjusted to reflect the impact of a significant financing component if the period between the transfer of the promised asset to the buyer and payment by the buyer is no more than one year.

Contract balances

Contract assets – A contract asset is an entity's right to receive consideration in exchange for goods or services transferred to a customer.

If the Group transfers goods or services to the buyer before the buyer pays the consideration, or before the consideration becomes payable, a contract asset is recognised in respect of the consideration received, which is contingent.

Trade receivables

Trade receivables represent the Group's right to consideration that is unconditional (i.e. the point at which such consideration becomes payable is contingent only on the passage of time). The accounting policy regarding financial assets is discussed in the section *'Financial instruments – initial recognition and subsequent measurement'*.

Contractual obligations

A contract liability is an obligation to transfer goods or services to a customer for which
the Group has received consideration (or for which consideration is payable) from the customer.
If the customer pays the consideration before the Group delivers the goods or services to the customer, a contract liability is recognised at the time of payment or when the payment becomes due (whichever occurs earlier). Contract liabilities are recognised as revenue when the Group fulfils its obligations under the contract.

Interest income and expense

Interest income and expense are recognised in profit or loss using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument exactly to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments that are not purchased or originated credit-impaired assets, the Group estimates future cash flows taking into account all contractual terms of the financial instrument, but excluding expected credit losses.

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3. KEY ACCOUNTING POLICIES, continued

For purchased or originated credit-impaired financial assets, the effective interest rate, adjusted for credit risk, is calculated using the amount of expected future credit cash flows, including expected credit losses.

The calculation of the effective interest rate includes transaction costs, as well as fees and amounts paid or received that form an integral part of the effective interest rate. Transaction costs include additional costs directly attributable to the acquisition or issue of a financial asset or financial liability.

Amortised cost and gross carrying amount

The amortised cost of a financial asset or liability is the amount at which the financial asset or financial liability is measured on initial recognition, less payments of principal, plus and minus the amount of accumulated amortisation of the difference between that initial amount and the amount payable at maturity, calculated using the effective interest rate method, and, in the case of financial assets, adjusted for an estimated loss allowance.

The gross carrying amount of a financial asset measured at amortised cost is the amortised cost of the financial asset before adjustment for the estimated loss allowance.

Calculation of interest income and expense

The effective interest rate on a financial asset or financial liability is calculated upon initial recognition of the financial asset or financial liability.

When calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (where the asset is not credit-impaired) or the amortised cost of the liability.

The effective interest rate is revised as a result of periodic revaluation of cash flows on floating-rate instruments to reflect changes in market interest rates.

The effective interest rate is also revised to reflect fair value hedge adjustments on the date the relevant adjustment begins to be amortised.

However, for financial assets that became credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the financial asset is no longer credit-impaired, interest income is again calculated on the basis of the gross carrying amount.

For financial assets that were credit-impaired at initial recognition, interest income is calculated by applying the effective interest rate, adjusted for credit risk, to the amortised cost of the financial asset. Interest income on such assets is not calculated on the basis of gross carrying amount, even if the credit risk on them subsequently decreases.

Disclosure

Interest income calculated using the effective interest rate method and presented in the consolidated statement of comprehensive income includes:

- interest income on financial assets measured at amortised cost;
- interest income on debt financial instruments measured at fair value through other comprehensive income.

The item *'Other interest income'* in the consolidated statement of comprehensive income includes interest income on non-derivative debt financial assets measured at fair value through profit or loss.

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3. KEY ACCOUNTING POLICIES, continued

Interest expense presented in the consolidated statement of comprehensive income includes:

- interest expense on financial liabilities measured at amortised cost.

Other expenses

Other expenses are recognised when the relevant goods or services are actually received, regardless of when cash and cash equivalents were paid, and are presented in the financial statements in the period to which they relate.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to calculate this amount are those enacted or substantively enacted at the reporting date in the countries in which the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity rather than in the income statement. Management periodically assesses items reported in tax returns where the relevant tax legislation is subject to differing interpretations and, where necessary, recognises estimated liabilities.

Deferred tax

Deferred tax is calculated using the liability method by determining temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill, an asset or a 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.

Deferred tax assets are recognised for all deductible temporary differences, unused tax credits carried forward and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses carried forward can be offset, except where a deferred tax asset relating to a deductible temporary difference arises from the initial recognition of an asset or liability that did not arise from a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reviewed at each reporting date and recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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3. KEY ACCOUNTING POLICIES, continued

Deferred tax relating to items recognised outside profit or loss is also not recognised in profit or loss. Deferred tax items are recognised in accordance with the underlying transactions either in other comprehensive income (OCI) or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities only if it has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities whose transactions are subject to tax, which intend either to settle current tax liabilities and assets on a net basis, or to realise these assets and settle these liabilities simultaneously in each of the future periods in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value added tax

Tax legislation provides for the settlement of value added tax (VAT) on sales and purchases on a net basis. Consequently, VAT due for refund is calculated as VAT on purchases minus VAT on sales.

VAT payable

VAT payable is recognised in the accounts on revenue from the sale of goods, works and services subject to VAT, in accordance with the Tax Code of the Republic of Kazakhstan.

In addition, where a provision for impairment of trade receivables is recognised, the amount of the impairment is recognised against the gross amount of the receivable, including VAT.

VAT recoverable

VAT recoverable is recognised in the accounts for goods, works and services purchased subject to VAT, provided such items were used for the purpose of generating revenue. At each reporting date, the amount in the VAT recoverable account is offset against the amount in the VAT payable account.

Deductions from employees' remuneration

The Group pays social tax and social contributions in accordance with the tax legislation of the Republic of Kazakhstan at rates of 9.5% and 3.5%, respectively, on salaries and compulsory health insurance (CHI) at a rate of 3% from 1 January 2022, and also withholds and remits CHI contributions (CHIC) at a rate of 2% of taxable income.

The Group withholds 10% of its employees' salaries as contributions to their pension funds.

The Group also withholds income tax from employees' salaries at a flat rate of 10% and pays it to the budget of the Republic of Kazakhstan.

Foreign currency

The consolidated financial statements are presented in tenge, which is also the Group's functional currency and the currency of presentation of the consolidated financial statements.

Transactions and balances

Foreign currency transactions are initially recognised in the functional currency, translated at the relevant exchange rates on the date the transaction first meets the recognition criteria. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the reporting date. Differences arising on the settlement or translation of monetary items are recognised in profit or loss. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the original transactions.

3. KEY ACCOUNTING POLICIES, continued

The weighted average exchange rates established on the Kazakhstan Stock Exchange (hereinafter 'KSE') are used as the official exchange rates in the Republic of Kazakhstan.

The year-end exchange rate and the average exchange rate for the year against the tenge, used by the Group in preparing these consolidated financial statements, are as follows:

	At year-end		Average rate for the year	
Currency	2025	2024	2025	2024
US dollar	507.40	523.54	525.80	469.44
Euro	591.68	546.47	595.62	507.86
Russian rouble	6.42	4.99	5.95	5.08

Fixed assets

Fixed assets are carried at cost less any accumulated impairment losses, if any.

The cost of assets includes the purchase price, including import duties and non-refundable taxes, borrowing costs in the case of long-term construction projects, and any direct costs associated with bringing the asset into working condition and delivering it to its intended location.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

Category of fixed assets	Useful life, years
Machinery and equipment	2–10 years
Other	3–20 years

An item of property, plant and equipment, and any significant component of such an item initially recognised, is derecognised upon its disposal or if 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 proceeds from disposal and the carrying amount of the asset) is included in the statement of comprehensive income at the time of derecognition.

The residual value, useful lives and depreciation methods of fixed assets are reviewed at the end of each financial year and adjusted on a prospective basis where necessary.

Non-current assets held for sale

Non-current assets or disposal groups comprising assets and liabilities whose recovery is expected primarily through sale rather than through continuing use are classified as held for sale. Immediately prior to classification as held for sale, the assets or components of the disposal group are revalued in accordance with the Group's accounting policy. Accordingly, assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell.

Leases

At the inception of a contract, the Group assesses whether the contract as a whole or its individual components is a lease. The contract as a whole or its individual components is a lease if the contract transfers the right to control the use of an identifiable asset for a defined period in exchange for consideration.

In the case of a short-term lease or a lease where the underlying asset is of low value, the Group recognises lease payments under such a lease as an expense on a straight-line basis over the lease term.

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3. KEY ACCOUNTING POLICIES, continued

The Group as a lessee

At the commencement of the lease, the Group recognises a right-of-use asset and a lease liability. At the commencement of the lease, the Group measures the right-of-use asset at its initial cost and the lease liability at the present value of the lease payments not yet due at that date. Lease payments are discounted using the interest rate specified in the lease agreement, if such a rate can be readily determined. If such a rate cannot be readily determined, the Group uses the rate at which additional borrowings are raised.

The Group as a lessor

The Group classifies each of its lease agreements as an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the underlying asset.

Finance leases

At the commencement of the lease, the Group recognises assets under finance leases in its statement of financial position and presents them as receivables in an amount equal to the net investment in the lease. The Group recognises finance income over the lease term on a straight-line basis reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Operating leases

The Group recognises lease payments under operating leases as income on a straight-line basis.

Inventories

Inventories are measured at the lower of cost or net realisable value. Costs incurred in bringing each asset to its destination and bringing it into a condition ready for use are accounted for as follows: purchase costs using the weighted average cost method. Net realisable value is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs to sell.

Impairment of non-financial assets

At each reporting date, the Group assesses whether there are any indications that an asset may be impaired. If such indications exist, or if an annual impairment test of the asset is required, the Group estimates the recoverable amount of the asset. The recoverable amount of an asset or cash-generating unit is the higher of the following: the fair value of the asset (cash-generating unit) less costs to sell, or the asset's (cash-generating unit's) value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

When assessing value in use, estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Recent market transactions are taken into account when determining fair value less costs to sell.

In the absence of such transactions, an appropriate valuation model is applied. These calculations are supported by valuation multiples, quoted prices of freely traded shares or other available indicators of fair value.

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3. KEY ACCOUNTING POLICIES, continued

The Group determines the amount of impairment based on detailed plans and forecasts prepared separately for each cash-generating unit to which individual assets are allocated. These plans and forecasts are generally prepared for a five-year period. Long-term growth rates are calculated and applied to projected future cash flows beyond the fifth year.

Impairment losses on continuing operations are recognised in the profit or loss statement within the categories of expenses corresponding to the use of the impaired asset, with the exception of previously revalued property, for which the revaluation was recognised in retained earnings. In the case of such properties, an impairment loss is recognised in other comprehensive income up to the amount of the previous revaluation.

At each reporting date, the Group assesses whether there are any indications that an asset for which an impairment loss has previously been recognised has recovered in value. If such an indication exists, the Group calculates the recoverable amount of the asset or cash-generating unit.

Previously recognised impairment losses are reversed only if there has been a change in the assumptions used to determine the recoverable amount of the asset since the last impairment loss was recognised.

The reversal is limited such that the carrying amount of the asset does not exceed its recoverable amount, nor can it exceed the carrying amount less accumulated depreciation at which the asset would have been recognised had no impairment loss been recognised in prior years. Such a reversal is recognised in the income statement.

Financial assets and financial liabilities

Classification of financial instruments

Upon initial recognition, a financial asset is classified as measured either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

A financial asset is measured at amortised cost only if it meets both of the following conditions and is not classified, at the Group's discretion, as measured at fair value through profit or loss:

- the asset is held within a business model whose objective is to retain the assets to collect the contractual cash flows; and
- the contractual terms of the financial asset provide for cash flows arising at specified dates consisting solely of payments of principal and interest accrued on the outstanding principal.

A debt instrument is measured at fair value through other comprehensive income only if it meets both of the following conditions and is not classified by the Group as measured at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved through both the receipt of contractual cash flows and the sale of financial assets; and
- the contractual terms of the financial asset provide for cash flows arising at specified dates consisting solely of payments of principal and interest accrued on the outstanding principal.

For debt financial assets measured at fair value through other comprehensive income, gains and losses are recognised in other comprehensive income, with the exception of the following items, which are recognised in profit or loss in the same way as for financial assets measured at amortised cost:

- interest income calculated using the effective interest method;
- expected credit losses and reversals of impairment losses; and
- gains or losses arising from changes in exchange rates.

3. KEY ACCOUNTING POLICIES, continued

Upon derecognition of a debt financial asset measured at fair value through other comprehensive income, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss. All other financial assets are classified as measured at fair value through profit or loss.

Furthermore, on initial recognition, the Group may, at its discretion and without the right to subsequent reclassification, classify a financial asset that meets the criteria for measurement at amortised cost or at fair value through other comprehensive income into the fair value through profit or loss category, if this would eliminate or significantly reduce an accounting mismatch that would otherwise arise.

Assessment of the business model

The Group assesses the objective of the business model within which an asset is held at the level of the financial instrument portfolio, as this best reflects the way the business is managed and how information is presented to management. The Group analyses the following information:

- The policies and objectives established for managing the portfolio, as well as the implementation of these policies in practice. In particular, whether the management strategy is focused on generating contractual interest income, maintaining a specific interest rate structure, ensuring that the maturities of financial assets match the maturities of the financial liabilities used to fund those assets, or realising cash flows through the sale of assets.
- How the portfolio's performance is assessed and how this information is communicated to the Group's management.
- The risks affecting the performance of the business model (and the financial assets held within that business model), and how these risks are managed.
- How are the managers responsible for managing the portfolio remunerated (for example, does this remuneration depend on the fair value of the specified assets or on the contractual cash flows received from the assets)?
- The frequency, volume and timing of sales in previous periods, the reasons for such sales, and expectations regarding future sales levels. However, information on sales levels is not considered in isolation, but as part of a comprehensive analysis of how the Group's stated objective for managing financial assets is achieved and how cash flows are realised.

Financial assets held for trading, or those managed and whose performance is assessed on a fair value basis, are measured at fair value through profit or loss, as they are held neither for the purpose of collecting contractual cash flows nor for the purpose of both collecting contractual cash flows and selling the financial assets.

Assessment of whether contractual cash flows consist solely of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset at initial recognition. 'Interest' is defined as compensation for the time value of money, for the credit risk associated with the principal amount remaining outstanding for a specified period of time, and for other principal risks and costs associated with lending (e.g. liquidity risk and administrative costs), and includes a profit margin.

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3. KEY ACCOUNTING POLICIES, continued

When assessing whether the contractual cash flows consist solely of payments of principal and interest on the outstanding principal amount (the 'SPPI criterion'), the Group analyses the contractual terms of the financial instrument. This includes assessing whether the terms of the contract for the financial asset contain any provision that could alter the timing or amount of the contractual cash flows in such a way that the financial asset would not meet the requirement under analysis.

In making this assessment, the Group takes into account:

- contingent events that could alter the timing or amount of cash flows;
- clauses that have a leverage effect;
- conditions relating to early repayment and extension of the term;
- conditions that limit the Group's claims to cash flows from specific assets (e.g. 'non-recourse' assets);
- conditions that result in a change in the compensation for the time value of money – for example, periodic interest rate reviews.

Reclassification

The classification of financial assets after initial recognition does not change, except in the period following a change in the Group's business model for managing financial assets.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to cash flows from that asset expire, or when it transfers the rights to receive cash flows from that asset as a result of a transaction in which substantially all the risks and rewards associated with ownership of that financial asset are transferred to another party, or in which the Group neither transfers nor retains substantially all the risks and rewards associated with ownership of that financial asset, and does not retain control over that financial asset.

Upon derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the part of the asset that is derecognised) and the sum of (i) the consideration received (including the value of the new asset received less the value of the new liability assumed) and (ii) any cumulative gain or loss previously recognised in other comprehensive income is recognised in profit or loss.

The Group enters into transactions under which it transfers assets recognised in the statement of financial position, but either retains all or substantially all the risks and rewards associated with ownership of the transferred assets, or retains a portion thereof. In such cases, the transferred assets are not derecognised. Examples of such transactions include securities lending and repurchase agreements.

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards associated with ownership of a financial asset, and retains control over the transferred asset, it continues to recognise the asset to the extent that it retains an ongoing interest in the asset, defined as the extent to which the Group is exposed to the risk of changes in the value of the transferred asset.

Financial liabilities

The Group derecognises a financial liability when the contract liabilities under it have been discharged, cancelled or terminated.

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3. KEY ACCOUNTING POLICIES, continued

Modification of the terms of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group assesses whether the cash flows on such a modified asset differ significantly.

If the cash flows differ significantly ('significant modification of terms'), the rights to the contractual cash flows of the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any transaction costs.

Changes in the amount of cash flows on existing financial assets or financial liabilities are not considered a modification of terms if they result from the current terms of the contract, provided that the relevant loan agreement allows the Group to change interest rates.

The Group performs a quantitative and qualitative assessment of whether the modification of terms is significant, i.e. whether the cash flows on the original financial asset differ significantly from the cash flows on the modified or replacement financial asset.

The Group performs a quantitative and qualitative assessment of the materiality of the modification of terms by analysing qualitative factors, quantitative factors and the combined effect of qualitative and quantitative factors. If the cash flows differ significantly, it is considered that the rights to the contractual cash flows on the original financial asset have expired. In making this assessment, the Group follows the guidance on derecognition of financial liabilities by analogy.

If the modification is due to the borrower's financial difficulties, the objective of such a modification is generally to recover as much of the asset's value as possible under the original terms of the contract, rather than to create (issue) a new asset on terms that differ significantly from the original ones. If the Group plans to modify a financial asset in such a way that this would result in the forgiveness of part of the cash flows provided for in the existing contract, it must analyse whether part of that asset should be written off prior to the modification (see the policy on write-offs below).

This approach affects the outcome of the quantitative assessment and means that the criteria for derecognition of the relevant financial asset are not usually met in such cases. The Group also carries out a qualitative assessment of whether the modification of the terms is significant.

If the modification of the terms of a financial asset measured at amortised cost or at fair value through other comprehensive income does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of that asset using the original effective interest rate for that asset and recognises the resulting difference as a gain or loss on the modification in profit or loss. For financial assets with a floating interest rate, the original effective interest rate used to calculate the gain or loss on the modification is adjusted to reflect current market conditions at the time of the modification. Costs incurred or fees paid and commission income received arising from such a modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Financial liabilities

The Group derecognises a financial liability when its terms are modified in such a way that the cash flows of the modified liability change significantly. In this case, the new financial liability with the modified terms is recognised at fair value.

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3. KEY ACCOUNTING POLICIES, continued

The difference between the carrying amount of the original financial liability and the amount of the new financial liability with modified terms is recognised in profit or loss. The consideration paid includes any non-financial assets transferred, if any, and liabilities assumed, including the new modified financial liability.

The Group assesses the materiality of the modification of terms on a quantitative and qualitative basis, analysing qualitative factors, quantitative factors and the combined effect of qualitative and quantitative factors. The Group concludes that the modification of terms is material based on the following qualitative factors:

- a change in the currency of the financial liability;
- a change in the type of collateral or other means of enhancing the quality of the liability.

For the purposes of the quantitative assessment, the terms are considered to be materially different if the present value of the cash flows under the new terms, including commission payments net of commission received, discounted at the original effective interest rate, differs by at least 10% from the discounted present value of the remaining cash flows under the original financial liability.

If the modification of the terms of a financial liability does not result in its derecognition, the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate, and the resulting difference is recognised as a gain or loss on the modification in profit or loss.

In the case of financial liabilities with a floating interest rate, the original effective interest rate used to calculate the gain or loss on the modification is adjusted to reflect current market conditions at the time of the modification. Costs incurred or fees paid in connection with the modification are recognised as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified financial liability by recalculating the effective interest rate on the instrument

Impairment

The Group recognises a provision for expected credit losses on the following financial instruments not measured at fair value through profit or loss.

The Group recognises valuation allowances for expected credit losses in an amount equal to the expected credit losses over the entire term, with the exception of the following instruments, for which the amount of the allowance will be equal to 12-month expected credit losses:

- debt securities with low credit risk as at the reporting date; and
- other financial instruments for which credit risk has not increased significantly since their initial recognition.

The Group calculates the estimated provision for credit losses on long-term receivables on an individual basis using the general provisioning approach in accordance with IFRS (IFRS) 9: 12-month expected credit losses, or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk.

The Group considers a debt instrument to have low credit risk if its credit rating meets the globally accepted definition of 'investment grade'.

12-month expected credit losses are the portion of expected credit losses arising from default events on a financial instrument that are likely to occur within 12 months of the reporting date. Financial instruments for which 12-month expected credit losses are recognised are classified as 'Stage 1' financial instruments.

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3. KEY ACCOUNTING POLICIES, continued

Lifetime expected credit losses are defined as the expected credit losses resulting from all possible default events on a financial instrument over its entire expected life.

Financial instruments that are not purchased or originated credit-impaired assets, for which lifetime expected credit losses are recognised, are classified as 'Stage 2' financial instruments (if the credit risk on the financial instrument has increased significantly since its initial recognition, but the financial instrument is not credit-impaired) and 'Stage 3' (if the financial instrument is credit-impaired).

The Group calculates an estimated provision for credit losses on acquired credit-impaired financial assets (POCI assets) in accordance with Stage 3 of the impairment process, equal to the expected credit losses over the entire term, except that a credit-risk-adjusted effective interest rate is used instead of the effective interest rate.

Estimation of expected credit losses

Expected credit losses represent an estimated measure of credit losses weighted by the probability of default. They are estimated as follows:

- for financial assets that are not credit-impaired as at the reporting date: as the present value of all expected shortfalls in cash flows (i.e. the difference between the cash flows due to the Group under the contract and the cash flows the Group expects to receive);
- for financial assets that are credit-impaired as at the reporting date: as the difference between the gross carrying amount of the assets and the present value of estimated future cash flows.

Restructured financial assets

Where the terms of a financial asset are renegotiated by agreement between the parties, or the terms of a financial asset are modified, or an existing financial asset is replaced by a new one due to the borrower's financial difficulties, an assessment is made as to whether the financial asset should be derecognised, and expected credit losses are measured as follows:

- if the expected restructuring does not result in the derecognition of the existing asset, the expected cash flows from the modified financial asset are included in the calculation of the shortfall in cash flows from the existing asset;
- If the expected restructuring results in the derecognition of the existing asset, the expected fair value of the new asset is treated as the final cash flow from the existing asset at the time of its derecognition. This amount is included in the calculation of the shortfall in cash flows from the existing financial asset, which is discounted over the period from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Impaired financial assets

At each reporting date, the Group assesses financial assets carried at amortised cost and debt financial assets carried at fair value through other comprehensive income for credit impairment.

A financial asset is 'impaired' when one or more events occur that have a negative impact on the estimated future cash flows of that financial asset.

Evidence of credit impairment of a financial asset includes, in particular, the following observable data:

- significant financial difficulties of the borrower or issuer;
- a breach of contract, such as default or delinquency;

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3. KEY ACCOUNTING POLICIES, continued

- the Group restructuring long-term receivables on terms that it would not otherwise have considered;
- the emergence of a likelihood of bankruptcy or other financial reorganisation of a counterparty; or
- the disappearance of an active market for a security as a result of financial difficulties.

Long-term receivables whose terms have been renegotiated due to a deterioration in the counterparty's financial position are generally considered to be credit-impaired, unless there is evidence that the risk of not receiving the contractual cash flows has significantly decreased and there are no other indications of impairment.

Presentation of the estimated provision for expected credit losses in the statement of financial position

Amounts of the estimated provision for expected credit losses are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a reduction in the gross carrying amount of those assets;
- debt instruments measured at fair value through other comprehensive income: the provision for expected credit losses is not recognised in the consolidated statement of financial position, as the carrying amount of these assets is their fair value. However, the amount of the valuation allowance is disclosed and recognised within the fair value reserve.

Write-offs

Long-term receivables and debt securities are written off (in part or in full) when there is no reasonable expectation of recovery.

Typically, this is the case when the Group determines that the counterparty has no sources of income capable of generating cash flows sufficient to repay the amounts due that are subject to write-off. However, in respect of written-off financial assets, the Group may continue to pursue debt recovery activities in accordance with its policy on the recovery of amounts due.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and simultaneously settle the liabilities.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash in current accounts and short-term bank deposits.

Investment securities

Investment securities include:

- debt investment securities measured at amortised cost; these are initially measured at fair value plus additional direct transaction costs and subsequently at their amortised cost using the effective interest rate method;
- debt investment securities that are mandatorily measured at fair value through profit or loss, or classified by the Group at its discretion into this category; they are measured at fair value, with changes in fair value recognised immediately in profit or loss; and
- debt securities measured at fair value through other comprehensive income.

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3. KEY ACCOUNTING POLICIES, continued

Contingent liabilities

Contingent liabilities are recognised if the Group has a present obligation (legal or constructive) arising from a past event; an outflow of economic benefits is probable to settle the obligation; and a reliable estimate of the amount of the obligation can be made.

If the Group expects to receive reimbursement for some or all of the contingent liabilities, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the receipt of the reimbursement is not in doubt. The expense relating to the contingent liability is recognised in the income statement net of the reimbursement.

If the effect of the time value of money is material, estimated liabilities are discounted at the current pre-tax rate, which reflects, where applicable, the risks specific to the liability. Where discounting is applied, the increase in the estimated liability over time is recognised as a finance cost.

Share capital

Ordinary shares

The Group's ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction in equity, net of any tax effects.

Dividends

The Group's ability to declare and pay dividends is subject to the applicable laws of the Republic of Kazakhstan. Dividends on ordinary shares are recognised in the consolidated financial statements as an appropriation of retained earnings as and when they are declared.

Share premium

Share premium represents the excess of the issue price of shares over their nominal value.

Additional paid-in capital

When the Company receives loans or other financing from its shareholder in connection with the Group's business activities, the discount on such transactions is recognised in the Additional paid-in capital account.

Recognition of items in the consolidated financial statements

These consolidated financial statements include all assets, liabilities, equity, income and expenses that are components of the financial statements

All items of the consolidated financial statements are presented as line items.

The combination of several items of the consolidated financial statements into a single line item has been carried out taking into account their characteristics (functions) within the Group's operations. Each material class of similar items is presented separately in the consolidated financial statements. Items of a dissimilar nature or purpose are presented separately, unless they are immaterial.

Application of new or revised standards and interpretations and annual improvements to IFRS

The following amendments and interpretations to standards, mandatory for the annual reporting period, came into effect on or after 1 January 2025.

New standards, interpretations and amendments to existing standards and interpretations

New and amended IFRS standards effective this year

On 1 January 2025, an amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' came into force, addressing situations where exchange between two currencies is not possible. The amendment establishes the procedure for determining the exchange rate in the absence of freely convertible currencies, as well as the criteria under which a currency is recognised as non-convertible.

3. KEY ACCOUNTING POLICIES, continued

In addition, disclosure requirements have been introduced for the use of an alternative exchange rate. The amendment is applied prospectively and does not have retrospective effect. These amendments did not have a material impact on the Group's consolidated financial statements.

New and revised IFRSs issued but not yet effective

In preparing these consolidated financial statements, the Group has not early adopted any new standards, interpretations or amendments that have been published but are not yet effective.

IFRS 18 'Presentation and Disclosure of Information in Financial Statements' replaces the previously applicable IAS 1 and introduces new requirements for the structure of the income statement, including the classification of income and expenses into operating, investing and financing activities. In addition, rules are established for the disclosure of management profit measures (MPMs), with a requirement to reconcile such measures with profit calculated in accordance with IFRS. This standard comes into force on 1 January 2027 and is subject to retrospective application.

The new IFRS 19 'Disclosures for Subsidiaries that are Not Publicly Reported' establishes simplified disclosure requirements for unlisted subsidiaries applying IFRS within a group. The standard does not affect the recognition and measurement framework, but merely reduces the scope of disclosures. Effective date: 1 January 2027.

Amendments to IFRS 9 and IFRS 7, effective from 1 January 2026, relate to the classification and measurement of financial instruments, including the accounting for contracts containing ESG clauses, as well as the specific treatment of transactions conducted via electronic platforms. In addition, disclosure requirements for financial assets carried at amortised cost are being expanded.

Clarifications are introduced regarding the definition of such contracts and the possibility of excluding them from the scope of the derivatives standards, and criteria for applying hedge accounting within the framework of such contracts are defined.

Furthermore, in 2026, amendments under the 2023–2025 annual improvements project to IFRS will come into force, including editorial and clarifying amendments to the consolidated provisions of IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

The Group's management does not expect these amendments to have a material impact on the Group's consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In preparing these consolidated financial statements, management has used professional judgements, assumptions and estimates that affect the application of the Group's accounting policies and the amounts of assets and liabilities, income and expenses presented in the consolidated financial statements. Actual results may differ from these estimates.

Estimates and the underlying assumptions are reviewed on a regular basis. Adjustments to estimates are recognised in the reporting period in which the relevant estimates were revised and in any subsequent periods affected by them.

The following estimates and assumptions are considered significant for the presentation of the Group's financial position:

Note 7 – regarding long-term receivables;
Note 8 – regarding non-current assets held for sale.
Note 19 – Contractual and contingent liabilities. This disclosure requires management to assess liabilities and determine the likelihood of future cash outflows.
Note 21 – Objectives and policies for managing financial risks. The fair value analysis is based on an assessment of future cash flows and discount rates

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS, continued

Key assumptions and judgements in assessing the impairment of long-term receivables

The Group estimates the amount of the provision for expected credit losses on long-term receivables based on external studies of probability of default (PD) rates for the relevant borrower credit ratings, according to Standard & Poor's (averaged historical PD values for the period between 1981 and 2019), given the lack of sufficient internal historical (Group-specific) information on defaults.

For assets in the third stage (impaired/defaulted), the provision is determined based on an analysis of future cash flows from the sale of pledged assets.

In determining the amount of the provision for expected credit losses, management made the following assumptions:

- Management believes that the PD and LGD ratios used to estimate potential credit losses fully reflect the credit risks associated with these assets, as the internal ratings assigned to counterparties took into account the impact of the coronavirus pandemic and the associated changes in the economy.

Key assumptions and judgements in estimating the net realisable value of non-current assets held for sale

For the purposes of assessing changes in the fair value of non-current assets held for sale as at 31 December 2025, management uses the following assumptions:

- for assets (production complexes) valued using the income approach, the valuation analysed forecast macroeconomic indicators and the impact on the industry and sales markets, and adjustments were made to the forecasts of income, expenses and cash flows for the assets in question;
- for assets valued using the comparative approach, a revaluation was carried out by the Group's staff in line with prevailing property market prices at the end of 2025; for a number of assets, an immaterial change in market value was noted, likely due to the impact of exchange rate fluctuations, particularly the US dollar;
- following the results of stress testing conducted to assess the impact of exchange rate fluctuations on the value of long-term assets held for sale, and given that the carrying amount exceeded the fair value of the assets, management revised the market value of certain assets as at 31 December 2025.

Key assumptions and judgements in assessing the impairment of receivables

The Group estimates the amount of the provision for expected credit losses on receivables based on an analysis of future cash flows from the receivables, which are primarily based on the proceeds from the sale of pledged assets.

In determining the amount of the provision for expected credit losses on receivables, management made the following assumptions:

– the delay in receiving proceeds from the realisation of collateral is 48 months.

For claims, the period from the date of valuation of the collateralised property for a number of assets exceeds one year, as the valuation of the property must be carried out by a bailiff within the framework of enforcement proceedings in accordance with Article 68 of the Law of the Republic of Kazakhstan 'On Enforcement Proceedings and the Status of Bailiffs'.

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5. COMPARATIVE INFORMATION

During the reporting period, the Group changed the presentation format of certain items in the consolidated financial statements to enhance the informative value and comparability of the figures.

The main changes relate to the presentation of the consolidated statement of cash flows, as well as the classification of certain items in the consolidated statement of profit or loss and other comprehensive income and the related notes to the consolidated financial statements.

These changes are purely presentational in nature and do not affect the Group's financial results, assets, liabilities or equity.

Comparative information for the previous reporting period has been restated in accordance with the new presentation format.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2024:

thousand tenge	Before reclassification	Changes	After reclassification
Reversal of credit losses	546,977	256,161	803,138
Other impairment losses	–	(256,161)	(256,161)
Rental income	84,861	(84,861)	–
Other income	1,353,551	84,861	1,438,412

Consolidated cash flow statement for the year ended 31 December 2024:

thousand tenge	Before reclassification	Changes	After reclassification
Net cash flow from operating activities	709,424	(20,447)	688,977
Net cash flow from investing activities (partial redemption of DSFC securities)	–	18,400	18,400
Net increase in cash	**709,424**	**(2,047)**	**707,377**
Effect of exchange rates against the tenge	(2,634)	1,646	(988)
Effect of changes in expected credit losses on cash and cash equivalents	(520)	401	(119)
Cash and cash equivalents at the beginning of the year	**204,518**	–	**204,518**
Cash and cash equivalents at the end of the year	**910,788**	–	**910,788**

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

thousand tenge	2025	2024
Bonds of DSFK Special Financial Company LLP	620,489	415,198
	620,489	**415,198**

As at 4 December 2017, the Group had a balance of KZT 4,083,313 thousand in a deposit account with Bank RBK JSC. In December 2017, the claim on this deposit account was restructured in accordance with the terms of the Framework Agreement dated 7 November 2017, concluded between the Government of the Republic of Kazakhstan, JSC 'Samruk-Kazyna National Welfare Fund', JSC 'NUK 'Baiterek', JSC 'Holding 'Kazagro', JSC 'Bank RBK' and LLP 'Kazakhmys Corporation'.

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS, continued

As part of this restructuring, the Group's claims against JSC 'Bank RBK' were swapped for secured debt obligations of Special Financial Company DSFK LLP ('DSFK'), to which the non-performing assets of JSC 'Bank RBK' were transferred. This portfolio of transferred non-performing assets serves as collateral for the debt obligations issued by Special Financial Company DSFK LLP.

The fair value of these securities on the Group's balance sheet as at 31 December 2025 and 2024 represents the fair value of the expected cash flow.

During 2025, a revaluation was carried out on the coupon bonds of DSFK Special Financial Company LLP, as a result of which the Group recognised a gain of 266,954 thousand tenge (2024: 49,627 thousand tenge).

Movements in financial assets measured at fair value through profit or loss are presented as follows:

KZT	2025	2024
As at 1 January	415,198	383,971
Redemption of bonds	(61,865)	(18,400)
Interest income	202	–
Revaluation gains	266,954	49,627
As at 31 December	**620,489**	**415,198**

7. LONG-TERM RECEIVABLES

thousand tenge	2025	2024
Receivables from the sale of assets – Orbis Business LLP	393,541	508,186
Receivables from the sale of property – TOO 'Orda Shatyry Company'	–	245,876
Trade receivables from the sale of assets – TOO "TD Foton"	–	97,175
	393,541	**851,237**
Expected credit losses	(56,701)	(128,225)
	336,840	**723,012**

The movement in long-term receivables is as follows:

thousand tenge	2025	2024
As at 1 January	851,237	6,780,717
Offset	–	(5,686,900)
Repayment of debt	(551,070)	(748,399)
Amortisation of discount	93,374	505,819
As at 31 December	**393,541**	**851,237**

Movements in the provision for expected credit losses are as follows:

thousand tenge	2025	2024
As at 1 January	128,225	931,482
Accrued	2,952	136,247
Reinstated	(74,476)	(939,504)
As at 31 December	**56,701**	**128,225**

7. LONG-TERM RECEIVABLES, continued

Orbis Business LLP

On 17 October 2023, the Group entered into a Property Sale and Purchase Agreement with Orbis Business LLP; under the terms of the agreement, the Group transfers to the Buyer ownership of immovable property with a total area of 3,044.70 sq. m, legal cadastral number 20:315:015:337:80/4/A, together with a land plot of 0.1733 ha. Payment is to be made in accordance with the approved repayment schedule by 1 February 2028.

Other

During the reporting period, receivables from other debtors were fully repaid; consequently, as at 31 December 2025, there is no outstanding balance in respect of them.

8. NON-CURRENT ASSETS HELD FOR SALE

thousand tenge	2025	2024
Textiles.kz assets	3,771,010	3,771,010
Assets of ACIG JSC	2,039,480	2,039,480
Assets of Semipalatinsk Leather and Fur Combine LLP	1,162,323	1,235,710
Assets of Nimeks LLP	678,062	678,062
Assets of Ili Cardboard and Paper Mill JSC	645,428	645,428
Assets of ILNO Group LLP	574,362	842,087
Assets of Astana Polygraphy JSC	358,620	358,620
Assets of JSC PK 'Yuzhpolymetall'	281,173	281,173
Assets of Kazakhstan Rubber Recycling JSC	278,965	278,965
Assets of Energoinvesttrade LLP	114,074	275,865
Assets of BIOHIM Company JSC (Basko LLP)	105,365	-
Assets of LAD LLP	42,212	42,212
Assets of Bogvi LLP	39,152	39,152
Other	90,963	90,963
	10,181,189	**10,578,727**

The Group assesses the fair value of non-current assets held for sale at each reporting date to ensure that their carrying amount does not differ materially from their fair value less costs to sell. Fair value is determined on the basis of reports from independent valuers.

As at 31 December 2025, the Group's Management Board approved an updated Asset Disposal Plan with a phased description of the necessary measures.

During 2025, the Group recognised an impairment loss on non-current assets held for sale amounting to KZT 429,517 thousand (2024: KZT 205,508 thousand), which is included in profit or loss for the reporting period.

During the reporting period, the Group disposed of land plots previously carried at zero carrying amount. Gain on disposal of assets held for sale amounted to KZT 239,533 thousand and was recognised in profit or loss for the reporting period.

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9. OTHER CURRENT ASSETS

KZT	2025	2024
Other receivables	441,168	424,150
Expected credit losses	(420,937)	(420,937)
Total financial assets	**20,231**	**3,213**
Advances granted	760,749	776 731
Taxes recoverable	54,447	35,396
Other	–	3,590
Impairment losses	(731,525)	(731,525)
Total non-financial assets	**83,671**	**80,602**
Total other current assets	**103,902**	**83,815**

The movement in the provision for financial assets is as follows

thousand tenge	2025	2024
As at 1 January	420,937	420,937
Accrued/Reversed	–	–
As at 31 December	**420,937**	**420,937**

Movements in the provision for non-financial assets are as follows

thousand tenge	2025	2024
As at 1 January	731,525	680,971
Accrued	–	67,710
Reinstated	–	(17,156)
As at 31 December	**731,525**	**731,525**

10. CASH AND CASH EQUIVALENTS

thousand tenge	2025	2024
Short-term deposits with a maturity of less than 3 months	857,528	3,120
Cash in current accounts	11,345	909,232
	868,873	**912,352**
Expected credit losses	(1,220)	(1,564)
	867,653	**910,788**

For the year ended 31 December 2025, the Group recognised a reversal of expected credit losses of KZT 344 thousand (2024: KZT 119 thousand charged).

The Group does not hold current accounts with banks in which its equity exceeds 10%.

11. CAPITAL AND RESERVES

KZT	Issued and outstanding	KZT
Ordinary shares		
Shares with a nominal value of 1,000,000 tenge	35,712	35,712,000
Shares with a nominal value of 4,812,500 tenge	3,200	15,400,000
Shares with a nominal value of 5,000,000 tenge	2,000	10,000,000
	40,912	**61,112,000**

All ordinary shares have equal priority in the distribution of the residual value of the Group's net assets.

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11. CAPITAL AND RESERVES, continued

As at 31 December 2025 and 2024, the total number of ordinary shares in issue was 41,100, of which 40,912 were issued and fully paid.

Holders of ordinary shares are entitled to receive dividends and are entitled to vote at the Group's meetings on a 'one share, one vote' basis.

Share premium of KZT 7,412,246 thousand represents the difference between the issue price and the par value of the shares.

Dividends

No dividends were declared or paid in 2025 and 2024.

Share premium

Additional paid-in capital is formed as a result of recognising the difference between the fair value of loans received from related parties and their nominal amount upon initial recognition, as well as a result of subsequent changes to the terms of such loans, recorded as transactions with the owner.

12. OTHER CURRENT LIABILITIES

thousand tenge	2025	2024
Trade and other payables	44,590	24,233
Total financial liabilities	**44,590**	**24,233**
Tax liabilities	64,088	50,828
Advances received	41,964	77,330
Provisions for staff leave	24,282	–
Warranty liabilities	600	41
Total non-financial liabilities	**130,934**	**128,199**
Total other current liabilities	**175,524**	**152,432**

13. INTEREST INCOME AND EXPENSES

thousand tenge	2025	2024
Interest income		
Interest on short-term deposits	126,005	84,632
Amortisation of discount	93,374	505,819
Income from securities	202	–
	219,581	**590,451**
Interest expense		
Amortisation of loan discounts	–	(740,565)–
	–	**(740,565)–**

14. OTHER INCOME

thousand tenge	2025	2024
Income from property rental	107,311	84,861
Income from trust management	35,179	76,717
Revenue from enforcement proceedings	–	1,252,779
Other revenue	115,283	24,055
	257,773	**1,438,412**

A portion of assets classified as held for sale is temporarily leased on a short-term basis to offset the costs of maintaining them until they are sold. Leasing the assets does not alter the Group's intention to sell them and does not affect the classification of these assets in accordance with IFRS 5.

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15. GENERAL AND ADMINISTRATIVE EXPENSES

thousand tenge	2025	2024
Salaries and related taxes	459,331	298,929
Security costs	341,757	217,490
Taxes and other compulsory payments	153,956	145,640
Provision for holidays	85,588	19,522
Domestic services	55,322	41,257
Travel expenses	27,907	12,453
Insurance costs	17,399	27
Repairs and maintenance	13,657	14,025
Depreciation and amortisation	6,686	6,578
Utilities	6,557	12,835
Transport costs	22,496	55,410
	1,190,656	**824,166**

16. RECOVERY OF CREDIT LOSSES, NET

thousand tenge	2025	2024
Long-term receivables	71,524	803,257
Loan receivables	(17,540)	–
Cash and cash equivalents	344	(119)
	54,328	**803,138**

17. OTHER IMPAIRMENT LOSSES

thousand tenge	2025	2024
Non-current assets held for sale	(429,517)	(205,508)
Advances granted	–	(50,554)
Other	1,227	(99)
	(428,290)	**(256,161)**

18. INCOME TAX EXPENSES

The Group is subject to income tax at the current official rate of 20%.

thousand tenge	2025	2024
Current income tax expense	–	138,000
Recognition and reversal of temporary differences	38,157	(31,603)
	38,157	**106,397**

The following table shows a reconciliation of the calculated corporate income tax amount and the accounting profit multiplied by the corporate income tax rate:

thousand tenge	2025	2024
Loss/profit before tax	(686,014)	1,058,363
Corporate income tax rate	20%	20
Estimated corporate income tax	(137,203)	211,673
Permanent differences:		
Other non-taxable income/loss	175,360	(105,276)
	38,157	**106,397**

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18. INCOME TAX EXPENSE, continued

The amounts of deferred tax assets and (liabilities) are shown below:

thousand tenge	2025	2024
Deferred tax assets / (liabilities):		
Long-term receivables	15,968	67,960
Inventories	12,792	–
Fixed assets and intangible assets	2,840	3,272
Provisions for holidays	4,856	3,381
Net deferred tax assets	**36,456**	**74,613**

The movement in deferred tax assets and liabilities is as follows:

thousand tenge	2025	2024
As at 1 January	**74,613**	**43,010**
Charged to (expenses)/income	(38,157)	31,603
As at 31 December	**36,456**	**74,613**

19. CONTRACTUAL AND CONTINGENT LIABILITIES

The economic environment in which the Group operates

Economic reforms are continuing in Kazakhstan, as is the development of a legal, tax and administrative infrastructure that meets the requirements of a market economy. The stability of the Kazakh economy will depend largely on the progress of these reforms, as well as on the effectiveness of the measures taken by the Government in the areas of economic, financial and monetary policy. The Group's management believes that it is taking all necessary measures to maintain the Group's economic stability under these conditions.

Legal matters

In the course of its ordinary business activities, the Group may be subject to various legal proceedings and claims. The Group assesses the likelihood of significant liabilities arising, taking into account the specific circumstances, and recognises a corresponding provision in the financial statements only when it is probable that an outflow of resources will be required to settle the liability and the amount of the liability can be measured with sufficient reliability.

Management believes that the resolution of all legal matters will not have a material impact on the Group's financial position or results of operations; for this reason, no provisions have been recognised in these financial statements.

Taxation

Kazakhstani tax legislation and regulatory acts are subject to constant changes and varying interpretations. Disagreements between local, regional and national tax authorities are not uncommon.

The current system of fines and penalties for identified infringements under the laws in force in Kazakhstan is very severe.

Penalties include fines – typically amounting to 50% of the sum of the additional taxes assessed – and interest calculated at the refinancing rate set by the National Bank of Kazakhstan, multiplied by 2.5. As a result, the total amount of penalties and interest may exceed the amount of additional tax due by several times. Financial periods remain open to audit by the tax authorities for a period of 3 (three) calendar years preceding the year in which the audit is conducted. Under certain circumstances, audits may cover longer periods.

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19. CONTRACTUAL AND CONTINGENT LIABILITIES, continued

Given the uncertainty inherent in the Kazakhstani tax system, the final amount of taxes, penalties and interest, if any, may exceed the amount currently expensed and accrued as at 31 December 2025.

Management believes that, as at 31 December 2025, its interpretation of the applicable legislation is appropriate and that it is likely that the Group's tax position will be upheld.

20. TRANSACTIONS WITH RELATED PARTIES

Control relationships

As at 31 December 2025, the sole shareholder of the Group is JSC 'Problem Loans Fund' (2024: State Agency 'Committee for State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan').

During 2025 and 2024, the Group did not enter into any transactions with related parties.

Remuneration of key management personnel

The total amount of actual remuneration paid to key management personnel for the year ended 31 December 2025 and 2024 is as follows:

thousand tenge	2025	2024
Members of the Management Board	84,285	80,716
	84,285	**80,716**

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

Introduction

The Group manages risks through a continuous process of identification, assessment and monitoring, as well as by setting risk limits and implementing other internal control measures. The risk management process is crucial to maintaining the Group's stable profitability, and every individual employee of the Group is responsible for the risks associated with his or her duties.

Risk Management Department

The Group's Risk Management Department is responsible for the comprehensive management, assessment, measurement, monitoring and control of all types of risk to which the Group is exposed.

The main risks inherent in the Group's activities are credit and operational risk, liquidity risk and market risk associated with changes in market interest rates, exchange rate fluctuations and changes in fair value.

Key risk management principles

To ensure an effective and efficient risk management policy, the Group has defined key risk management principles, the primary objective of which is to protect the Group from existing risks and enable it to achieve its planned targets.

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21. OBJECTIVES AND POLICY FOR FINANCIAL RISK MANAGEMENT, continued

Categories and fair value of financial assets and liabilities

Categories of financial assets and liabilities

thousand tenge	Note	2025	2024
Financial assets carried at amortised cost			
Loan receivables		955	47,495
Long-term receivables	7	336,840	723,012
Other receivables	9	20,231	3,213
Cash and cash equivalents	10	867,653	910,788
		1,225,679	**1,684,508**
Financial assets at fair value through profit or loss			
Financial assets at fair value through profit or loss	6	620,489	415,198
		620,489	**415,198**
Financial liabilities carried at amortised cost			
Trade payables	12	(44,590)	(24,233)
		(44,590)	**(24,233)**

Fair value

Fair value measurement hierarchy

As at 31 December 2025, all financial assets and liabilities were classified as Level 2 in the fair value hierarchy (31 December 2024: Level 2), with the exception of loan receivables and securities classified as Level 3 in the fair value hierarchy (31 December 2024: Level 3).

The Group measures fair value using the following fair value hierarchy, which takes into account the materiality of the data used in forming these measurements:

- Level 1: Quotations in an active market (unadjusted) for identical financial instruments.
- Level 2: Data other than Level 1 quotes, available either directly (i.e. quotes) or indirectly (i.e. data derived from quotes). This category includes instruments valued using: market quotes in active markets for similar instruments, market quotes for similar instruments in markets not considered active, or other valuation methods, all of which use data that is directly or indirectly based on observable market data.
- Level 3: data that is not available. This category includes instruments measured using information not based on observable market data, where such unobservable data has a significant impact on the measurement of the instrument. This category includes instruments valued on the basis of quotations for similar instruments, in respect of which the use of significant unobservable adjustments or judgements is required to reflect the differences between the instruments.

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21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Credit risk

Credit risk is the risk that the Group will incur a financial loss arising from a failure by a buyer or counterparty to a financial instrument to meet its contractual obligations. The Group manages credit risk (in respect of recognised financial assets and unrecognised contractual obligations) through the application of approved policies and procedures. The credit policy is reviewed and approved by the Board.

The credit policy establishes:

- the methodology for assessing the creditworthiness of counterparties, issuers and insurance companies;
- procedures for the ongoing monitoring of products carrying credit risk.

The maximum level of exposure to credit risk is generally reflected in the carrying amount of financial assets as reported in the consolidated statement of financial position and in the amount of unrecognised contractual obligations. The ability to offset assets and liabilities is not material in reducing potential credit risk.

The carrying amount of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk as at 31 December was:

thousand tenge	2025	2024
Loan receivables	955	47,495
Long-term receivables	336,840	723,012
Other receivables	20,231	3,213
Cash and cash equivalents	867,653	910,788
Total maximum credit risk exposure	**1,225,679**	**1,684,508**

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21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Credit quality analysis

The following table presents information on the credit quality of financial assets carried at amortised cost as at 31 December 2025 and 2024:

thousand tenge	Stage 1	Stage 2	Stage 3	Credit-impaired assets on initial recognition	Gross carrying amount	Provision for expected credit losses	Carrying amount
2025							
Loan receivables	–	–	–	955	955	–	955
Long-term receivables	–	393,541	–	–	393,541	(56,701)	336,840
Other receivables	–	441,168	–	–	441,168	(420,937)	20,231
Cash and cash equivalents	868,873	–	–	–	868,873	(1,220)	867,653
Total	**868,873**	**834,709**	**–**	**955**	**1,704,537**	**(478,858)**	**1,225,679**
2024							
Loan receivables	–	–	2,474,375	47,495	47,495	–	47,495
Long-term receivables		851,237	–	–	851,237	(128,225)	723,012
Other receivables	–	424,150	–	–	424,150	(420,937)	3,213
Cash and cash equivalents	912,352	–	–	–	912,352	(1,564)	910,788
Total	**912,352**	**1,275,387**	**2,474,375**	**47,495**	**2,235,234**	**(550,726)**	**1,684,508**

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Provision for bad debts

Long-term receivables

The movement in the provision for impairment of long-term receivables for the twelve months ended 31 December 2025 and 2024 is presented below:

thousand tenge	Stage 1	Stage 2	Stage 3	**Total**
Balance as at 01/01/2024	(213,294)	(718,188)	–	**(931,482)**
Change in provision	85,069	718,188	–	803,257
Balance as at 31 December 2024	**(128,225)**	**–**	**–**	**(128,225)**
Net change in provision	71,524	–	–	71,524
Balance as at 31 December 2025	**(56,701)**	**–**	**–**	**(56,701)**

Other receivables

Changes in the balance of the provision for impairment of other receivables for the twelve months ended 31 December 2025 and 2024 are presented below:

thousand tenge	Stage 1	Stage 2	Stage 3	**Total**
Balance as at 01/01/2024	–	(420,937)		(420,937)
Change in provision	–	–		–
Balance as at 31 December 2024	**–**	**(420,937)**		**(420,937)**
Change in provision	–	–		–
Balance as at 31 December 2025	**–**	**(420,937)**		**(420,937)**

Cash and cash equivalents

Credit risk relating to cash is monitored and managed by the Group's management in accordance with the Group's policy. Free cash and cash equivalents are placed within established limits in Kazakhstani banks with Moody's credit ratings of at least 'Ba3'. This policy is designed to reduce the concentration of credit risk and minimise potential financial losses should banks fail to meet their contractual obligations.

As at the reporting dates, cash and cash equivalents are classified as Stage 1, as no significant increase in credit risk has been identified.

The provision for expected credit losses on cash and cash equivalents amounted to KZT 1,220 thousand as at 31 December 2025 (2024: KZT 1,564 thousand)

Liquidity risk

Liquidity risk is the potential inability of the Group to meet its financial obligations that are settled by the payment of cash or the transfer of another financial asset. The Group's approach to liquidity management is to ensure, as far as possible, that the Group maintains sufficient liquid funds at all times to meet its obligations on time, both under normal and stressed conditions, without incurring unacceptable losses or jeopardising the Group's reputation.

All of the Group's financial liabilities are current and are due for settlement within 12 months of the reporting date.

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21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and share prices, will have a negative impact on the Group's profits or on the value of its financial instruments. The objective of market risk management is to manage and control market risk exposure so that it remains within acceptable limits, whilst ensuring that the return on the risk taken is optimised.

To manage market risk, the Group has placed cash and cash equivalents at fixed interest rates.

All such transactions are conducted in accordance with the procedures established by the Risk Management Committee of the Group's sole shareholder. The Group does not use hedging instruments to reduce the volatility of profit or loss.

Currency risk

At the reporting dates, the Group has no significant financial instruments denominated in a currency other than its functional currency and is not exposed to currency risk.

Interest rate risk

At the reporting dates, the Group has no financial instruments with a floating interest rate and is not exposed to interest rate risk.

Capital management

For the purposes of capital management, capital comprises share capital, additional paid-in capital and retained earnings. The Group's primary objective in relation to capital management is to maximise the value of capital. The Group manages its capital structure and adjusts it in line with changes in economic conditions and contractual requirements to ensure the Group's continued operations.

The objectives, policies and procedures for capital management remained unchanged during the year ended 31 December 2025.

22. EVENTS AFTER THE REPORTING DATE

For the period from 31 December 2025 to the date of the auditor's report, no facts have been identified that would require an adjustment or disclosure in the Group's consolidated financial statements for 2025.

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