Mining Company Ortalyk LLP

International Financial Reporting Standards Financial Statements and Independent Auditor's Report

31 December 2024

Contents

Independent Auditor's Report

To the Participants and Management of Mining Company Ortalyk LLP:

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mining Company Ortalyk LLP (the "Company") as at 31 December 2024, and the Company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of profit or loss and other comprehensive income for the year ended 31 December 2024;
- the statement of financial position as at 31 December 2024;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Republic of Kazakhstan that are relevant to our audit of the financial statements.

Responsibilities of management for the financial statements

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

On behalf of PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Approved by:

Azamat Konratbaev
Managing Director
PricewaterhouseCoopers LLP
(General State License of the Ministry of Finance of the Republic of Kazakhstan №0000005 dated 21 October 1999)

Signed by:

Almaz Sadykov
Audit partner
(Qualified Auditor’s Certificate №МФ-0000745 dated 8 February 2019)

10 February 2025
Almaty, Kazakhstan

In thousands of Kazakhstani Tenge	Note	2024	2023
Revenue from contracts with customers	8	177,469,649	125,742,705
Cost of sales	9	(53,919,515)	(35,890,608)
Gross profit		**123,550,134**	**89,852,097**
Selling expenses		(310,723)	(621,805)
General and administrative expenses	10	(3,397,314)	(12,680,107)
Other income		2,623,143	38,456
Other expenses		(1,593,112)	(1,922,087)
Finance income		694,306	399,632
Finance costs		(709,857)	(437,367)
Profit before income tax		**120,856,577**	**74,628,819**
Income tax expense	11	(24,920,243)	(17,378,178)
PROFIT FOR THE YEAR		**95,936,334**	**57,250,641**
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations		(26,828)	(3,333)
Other comprehensive loss for the year		**(26,828)**	**(3,333)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**95,909,506**	**57,247,308**

These financial statements were approved and signed by management on 10 February 2025:

Beisenbekov A.Zh.
General Director

ҚАЗАҚСТАН, ТҮРКІСТАН ОБЛЫСЫ СОЗАҚ АУДАНЫ ОРТАЛЫҚ КАЗАХСТАН, ТУРКЕСТАНСКАЯ ОБЛАСТЬ СУЗАКСКИЙ РАЙОН

Alkeshova A.I.
Chief Accountant

Mining Company "Ortalyk" Limited Liability Partnership
Statement of Financial Position

In thousands of Kazakhstani Tenge	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Intangible assets		452,910	515,486
Property, plant and equipment	12	19,616,208	13,332,991
Mine development assets	13	39,076,273	27,512,295
Subsurface rights	14	1,619,079	1,658,201
Other non-current assets	15	9,762,903	9,788,166
Total non-current assets		**70,527,373**	**52,807,139**
Current assets			
Inventories	16	4,072,544	4,135,286
Trade receivables	17	86,004,621	55,519,605
Other current assets		1,373,500	245,371
Cash and cash equivalents	18	4,814,044	2,934,092
Total current assets		**96,264,709**	**62,834,354**
TOTAL ASSETS		**166,792,082**	**115,641,493**
EQUITY			
Share capital	19	27,164,074	27,164,074
Retained earnings		118,450,631	74,573,479
Other reserves		(52,364)	(52,364)
TOTAL EQUITY		**145,562,341**	**101,685,189**
LIABILITIES			
Non-current liabilities			
Provision for asset retirement obligations	20	7,597,923	5,468,379
Deferred tax liabilities		53,807	268,244
Employee benefits		156,409	115,324
Other non-current liabilities		22,711	30,658
Total non-current liabilities		**7,830,850**	**5,882,605**
Current liabilities			
Trade payables	21	5,577,108	3,621,808
Corporate income tax liability		323,590	390,730
Other taxes and obligatory payables		4,698,382	3,193,390
Employee benefits		16,141	15,633
Other current liabilities		2,783,670	852,138
Total current liabilities		**13,398,891**	**8,073,699**
TOTAL LIABILITIES		**21,229,741**	**13,956,304**
TOTAL LIABILITIES AND EQUITY		**166,792,082**	**115,641,493**

These financial statements were approved and signed by management on 10 February 2025:

Beisenbekov A.Zh.
General Director

ҚАЗАҚСТАН, ТҮРКІСТАН ОБЛЫСЫ СОЗАҚ АУДАНЫ ЖАУАПКЕРШІЛІГІ ШЕКТЕУЛІ СЕРІКТЕСТІГІ ОРТАЛЫҚ ӨНДІРУШІ КӘСІПОРНЫ ДОБЫВАЮЩЕЕ ПРЕДПРИЯТИЕ ТОВАРИЩЕСТВО С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ КАЗАХСТАН, ТУРКЕСТАНСКАЯ ОБЛАСТЬ СУЗАКСКИЙ РАЙОН

Alkeshova A.I.
Chief Accountant

Mining Company "Ortalyk" Limited Liability Partnership
Statement of Cash Flows

In thousands of Kazakhstani Tenge	**Note**	**2024**	**2023**
OPERATING ACTIVITIES			
Cash inflows from customers		159,629,848	121,952,027
Interest received		688,624	391,427
Other receipts		132,982	538,242
Payments to suppliers		(30,468,203)	(14,979,909)
Advances to suppliers of goods and services		(1,278,023)	(177,338)
Payments to employees		(5,648,894)	(4,339,473)
Other payments to the budget		(16,420,033)	(10,965,273)
Other payments		(4,133,586)	(14,478,486)
Cash flows from operating activities		**102,502,715**	**77,941,217**
Income taxes paid		(25,201,820)	(16,510,325)
Net cash from operating activities		**77,300,895**	**61,430,892**
INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment			-
Purchase of non-current assets (excluding VAT)		(20,555,909)	(17,869,445)
Purchase of property, plant and equipment (excluding VAT)		(604,805)	(1,129,626)
Purchase of intangible assets (excluding VAT)		-	(84,161)
Withdrawal of funds from liquidation fund deposits		-	2,949,807
Placement of funds on liquidation fund deposits		(645,090)	(2,948,720)
Advances for the acquisition of non-current assets		(2,568,369)	(4,907,667)
Net cash from investing activities		**(24,374,173)**	**(23,989,812)**
FINANCING ACTIVITIES			
Dividends paid	19	(52,032,354)	(42,766,578)
Other payments		(4,040)	(6,795)
Net cash from financing activities		**(52,036,394)**	**(42,773,373)**
Net decrease in cash and cash equivalents		**890,328**	**(5,332,293)**
Effect of exchange rate changes on cash and cash equivalents		989,624	(134,307)
Cash and cash equivalents at the beginning of the year		2,934,092	8,400,692
Cash and cash equivalents at the end of the year	18	**4,814,044**	**2,934,092**

These financial statements were approved and signed by management on 10 February 2025:

Beisenbekov A.Zh.
General Director

Alkeshova A.I.
Chief Accountant

In thousands of Kazakhstani Tenge	Note	Share capital	Retained earnings	Reserves	Total equity
At 1 January 2023		27,164,074	60,092,749	(52,364)	87,204,459
Profit for the year		-	57,250,641	-	57,250,641
Remeasurement of post-employment benefit obligations		-	(3,333)	-	(3,333)
Total comprehensive income for the year		**-**	**57,247,308**	**-**	**57,247,308**
Dividends declared	19	-	(42,766,578)	-	(42,766,578)
At 31 December 2023		**27,164,074**	**74,573,479**	**(52,364)**	**101,685,189**
Profit for the year			95,936,334		95,936,334
Remeasurement of post-employment benefit obligations			(26,828)		(26,828)
Total comprehensive income for the year			**95,909,506**		**95,909,506**
Dividends declared	19		(52,032,354)		(52,032,354)
At 31 December 2024		**27,164,074**	**118,450,631**	**(52,364)**	**145,562,341**

These financial statements were approved and signed by management on 10 February 2025:

Beisenbekov A.Zh.
General Director

Alkeshova A.I.
Chief Accountant

1 General Information about the Company and its Activities

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for the year ended 31 December 2024 for Mining Company "Ortalyk" Limited Liability Partnership (the "Company" and "MC Ortalyk LLP").

The Company is a limited liability partnership set up according to the legislation of the Republic of Kazakhstan. Until 30 July 2021, the sole participant of the Company was the National Atomic Company Kazatomprom JSC (hereinafter, "NAC Kazatomprom JSC"). On 30 July 2021, CGNM UK Limited became one of the participants of the Company. As of 31 December 2023, and 2024, 51% of the Company's participation interest was owned by NAC Kazatomprom JSC, the ultimate controlling party of which is the Government of the Republic of Kazakhstan, and 49% of the participation interest was owned by CGNM UK Limited. The Company is registered and conducts its business activities at the address: Republic of Kazakhstan, Turkestan region, Suzak district, s. Suzak 033, building No. 28.

Prior to 19 October 2017, the Company's principal activity was provision of services on uranium production using the method of drillhole in situ leaching, processing to the yellow cake and services of mining and development, which were performed on the contractual territory of Mynkuduk field (Central site). The subsurface right on this site until 19 October 2017 belonged to NAC Kazatomprom JSC. From 19 October 2017, under addendum No.3 to contract No. 1796-TPI dated 8 July 2005 the subsurface right was transferred from NAC Kazatomprom JSC to the Company. Also, in accordance with Addendum No. 4 dated 19 October 2017 to Contract No. 3610-TPI dated 31 May 2010, the uranium exploration right at the Zhalpak field was transferred to the Company.

On 14 December 2021, NAC Kazatomprom JSC, as a national uranium operator, in the manner prescribed by the legislation of the Republic of Kazakhstan, received the subsoil use right for uranium mining at the Zhalpak field and signed agreement No. 4996-TPI with the Ministry of Energy of the Republic of Kazakhstan. On 28 December 2021, the Company entered into with NAC Kazatomprom JSC and the Ministry of Energy of the Republic of Kazakhstan Addendum No. 1 to Contract No. 4996-TPI dated 14 December 2021 for uranium mining at the Zhalpak field. In accordance with Addendum No. 1, the right to mine uranium at the Zhalpak field was transferred to the Company on 28 December 2021.

The Company's headcount at 31 December 2024 was 677 employees (2023: 668 employees).

2 Operating Environment of the Company

On 24 February 2022, Russia launched a military invasion of Ukraine. In response, the United States, the European Union and a number of other states imposed widespread sanctions on Russia, including banning Russian banks from the Swift system. Russia is Kazakhstan's largest trade partner. Russian is also a key trade transit, in particular, through the Caspian Pipeline Consortium (CPC), up to 80% of its oil exports is carried. It is expected that the concentration of export through CPC will remain significant in the mid-term, considering its price advantages. Kazakhstan also makes efforts to diversify the routes, in particular through the Caspian Sea to Baku and, when exports starts, not through CPC to Germany, however these shipping operations approximate 2% of the annual volume of CPC.

In November 2024 Fitch Ratings, an international rating agency, affirmed Kazakhstan's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BBB' with a Stable Outlook. According to Fitch, Kazakhstan's 'BBB' IDRs is supported by a very significant external buffer, the third largest position of sovereign net foreign assets (SNFA) in the 'BBB' rating category, which ensures financing flexibility underpinned by accumulated oil revenue savings. Set against these strengths are its very high dependence on commodities, export concentration risk, high inflation that partly reflects a less developed macroeconomic policy framework relative to 'BBB' peers, and weak governance indicators.

Kazakhstan is expected to remain highly dependent on crude oil and oil condensates, which account for more than half of export. In addition, almost 80% of Kazakhstani crude oil is exported through Russia through the Caspian Pipeline Consortium (CPC), which poses a geopolitical risk. The share will most likely remain high, considering advantages in terms of the cost, despite a certain recent diversification of the routes.

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. These characteristics include, but are not limited to, the existence of a national currency that is not freely convertible outside of the country and a low level of liquidity of debt and equity securities in the markets.

As at the date of issuing these financial statements the official exchange rate of the National Bank of the Republic Kazakhstan was Tenge 511,18 per US Dollar 1 compared to Tenge 523.54 per US Dollar 1 as at 31 December 2024 (31 December 2023: Tenge 454.56 per 1 US Dollar).

The inflation rate was relatively stable during 2024 and amounted to 8.6% in December 2024 compared to 9.8% in December 2023. During 2024, the economic growth slowed down to 3.8% compared to 5.1% in 2023. According to the analysts' forecasts, the growth of GDP will increase to 5% in 2025.

2 Operating Environment of the Company (Continued)

The uranium spot price, which acts as a base for the pricing of the Company's sales, increased by 16% during 2024, and as at 31 December 2024, the average spot price settled at US Dollars 72,63 per pound U308 (the average spot price in 2023: US Dollars 62,51).

The economic environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict, and management's current expectations and estimates could differ from actual results.

Additionally, the uranium sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal and political developments, which are beyond the Company's control.

3 Material Information about Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS Accounting Standards") under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value, and financial instruments categorised at fair value through other comprehensive income. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

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

Presentation currency

The functional currency is the currency of the primary economic environment in which the Company operates. The Company's functional currency and presentation currency is the national currency of the Republic of Kazakhstan – Kazakhstani Tenge. Exchange restrictions and currency controls exist relating to converting Tenge into other currencies. Currently, Tenge is not a freely convertible currency in most countries outside the Republic of Kazakhstan.

These financial statements are presented in thousands of Kazakhstani Tenge ("Tenge"), unless otherwise stated.

As of 31 December 2024, the official closing rate of exchange used for translating foreign currency balances was 523,54 Tenge per 1 US Dollar (2023: 454.56 per 1 US Dollar).

Revenue recognition

Revenue is income arising in the course of the Company's ordinary activities. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties.

Revenue is recognised when the control over the good has transferred, being when the goods are supplied to the customer, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company carries out the following types of activities:

(a) Sales of uranium in the form of natural uranium oxide

As from receipt of the subsurface right on 19 October 2017 (Note 1), the Company is engaged in mining its own uranium at the contractual territory as a subsoil user. The Company conducts processing to natural uranium oxide at Ulba metallurgical plant and sells finished goods to NAC Kazatomprom JSC and CGNM UK Limited.

3 Material Information about Accounting Policies (Continued)

Sales are recognised when control of the good has transferred, being when the goods are delivered to the customer, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Delivery of uranium products is stipulated by the contract with customer, delivery date is considered to be the date of acceptance act signing. The date of acceptance act signing is determined based on the good consignment note, the date of physical delivery, or the date of special written notification specified by customer.

No element of financing is deemed present as the sales are made with an average credit term of 30 - 90 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Sale of services (transportation, rent payments from employees, etc.)

The Company may provide services under fixed-price and variable price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Revenue is recognised net of value added taxes. Revenue is measured at the fair value of the consideration received or receivable.

Income taxes

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods using tax rates established by legislation enacted or substantively enacted by the end of the reporting period.

Uncertain tax positions

The Company's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recognised for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities.

The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes, other than income tax, are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

Employee benefits

(i) Employee benefits

The Company provides long-term employee benefits to employees, in accordance with a Collective Labor Agreement (the "Agreement"). The Agreement, in particular, provides for funeral aid and financial aid for length of service to the employees of the Company. The entitlement to certain benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period.

The Company does not finance pension schemes. The liability recognised at each reporting date represents present value of pension liabilities. The actuarial profits and losses arising during the year are recorded in profit or loss for the year. For this purpose, actuarial profits and losses include both the impact of changes in actuarial assumptions and the impact of past experience of differences between actuarial assumptions and actual data.

The actuarial profits and losses on other post-employment liabilities, such as the impact of the past experience, differences and changes in actuarial assumptions are reflected in other comprehensive income during the period, in which they arise. Other changes in the present value of pension liabilities are recognised in profit or loss for the year, including the current cost of services.

3 Material Information about Accounting Policies (Continued)

The most significant assumptions used in accounting for defined benefit obligations are discount rate, staff turnover and mortality assumptions. The discount rate is used to determine the net present value of future liabilities and each year the unwinding of the discount on those liabilities is charged to profit or loss as an interest cost. The mortality assumption is used to project the future stream of benefit payments, which is then discounted to arrive at a net present value of liabilities.

The employee benefits, including funeral aid to Company employees, are viewed as other non-current employee benefits. The expected expenses on these benefits are accrued during the employment of an employee using the methodology, which is used in estimate of defined benefit pension plans.

Such liabilities are estimated on an annual basis by independent qualified actuaries.

(ii) Payroll expense and related contributions

Wages, salaries, pension contributions, contributions to the social insurance fund, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Company. In accordance with the legal requirements of the Republic of Kazakhstan, the Company withholds pension contributions from employees' salary and transfers them to the Unified Accumulative Pension Fund. Upon retirement of employees, all pension payments are administered by Unified Accumulative Pension Fund.

Financial instruments

(i) Financial assets – classification and subsequent measurement – measurement categories

The Company's financial assets are classified as "measured at amortised cost" and include restricted cash, trade receivables and other financial receivables (Note 17) and cash and cash equivalents (Note 18).

(ii) Financial assets impairment – credit loss allowance for ECL

Debt instruments measured at amortised cost and trade and other receivables are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantees, a separate provision for ECL is recognised as a liability in the statement of financial position. For debt instruments at FVOCI, changes in amortised cost, net of allowance for ECL, are recognised in profit or loss.

The Company applies a simplified approach for impairment of trade receivables. For other financial assets the Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. Note 23 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Company incorporates forward-looking information in the ECL models.

(iii) Classification of financial liabilities

Financial liabilities are presented in the category "financial liabilities measured at amortized cost" and include trade payables (Note 21).

Subsurface rights

The subsurface right is recorded at cost less accumulated amortisation and impairment, where required. The acquisition cost of subsurface rights includes the subscription bonus, commercial discovery bonus, acquisition cost of subsurface rights and capitalised historical costs. The Company is obliged to compensate the historical costs incurred by the government regarding licensed territories prior to the issue of licenses. Reimbursement of historical costs is presented as cash outflow for operating activities in the statement of cash flows, as the payments represent fixed payments to the budget, which are made on a quarterly basis during 10 years after the commercial discovery.

These historical costs are recognised as part of the acquisition cost with respective recognition of a liability equal to the present value of payments made during the license period.

3 Material Information about Accounting Policies (Continued)

The subsurface rights are amortised using the production method, based on proved reserves, from the time of beginning of uranium mining.

The reserve calculation is based on the reserve reports, which are an integral part of each subsurface contract. These reserve reports are included into the technical and economic models, which were approved by the competent authority, and in which the detailed information on expected volumes of production by years is presented.

Property, plant and equipment

(i) Recognition and evaluation of property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and provision for impairment (where needed).

Certain significant parts of an item of property, plant and equipment, whose useful life differs from the useful life of this item as a whole, is recorded as separate items (components) and depreciated at rates reflecting assumed useful lives of these parts.

(ii) Depreciation of property, plant and equipment

Land is not depreciated. Depreciation of property, plant and equipment used in extraction of uranium mining and its preliminary processing is charged on a unit-of-production (UoP) method in respect of items for which this basis best reflects the pattern of consumption. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

	Useful lives in years
Buildings and constructions – production	Production method
Buildings and constructions – residential	10 – 50
Machinery and equipment	3 – 50
Vehicles	3 – 10
Other	3 – 20

Estimated useful life of an item of property, plant and equipment depends both on its own useful life and current evaluation of economically recoverable reserves of the field, at which this item of property, plant and equipment is located.

Production preparation costs

Capitalised production preparation costs are recorded at cost less accumulated depreciation and provision for impairment, where required.

Production preparation costs include drilling of process injection and extraction wells, trunk external framing of wells with surface utilities, equipment and instrumentation, cost of ion exchange resin, estimated site recovery costs and other production preparation costs. Production preparation costs are amortised at the level of the blocks (for mining preparatory works) or field (for other assets) using the production method. Unit-of-production rates are based on proved reserves estimated to be recovered from mines (blocks) using existing facilities and operating methods. The estimate of proved reserves is based on reserve reports which are an integral part of each subsurface contract. These reserve reports are incorporated into feasibility models which are approved by the government and detail the estimated scheduled extraction by year.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently carried at amortised cost calculated using the effective interest rate method.

Inventories

Inventories are recorded at the lower of cost and net realisable value. Upon the inventory issue or other disposal, its cost is determined on the weighted average basis.

3 Material Information about Accounting Policies (Continued)

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL. Features mandated solely by legislation, such as the bail-in legislation in certain countries, do not have an impact on the SPPI test, unless they are included in contractual terms such that the feature would apply even if the legislation is subsequently changed. Restricted balances are excluded from cash and cash equivalents for the purposes of the statement of cash flows. Balances restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period are included in other non-current assets.

Dividends

Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved. Any dividends declared after the reporting period and before the financial statements are authorised for issue are disclosed in the "Events after the reporting period" note.

Dividends are distributed on the basis of financial statements prepared under IFRS. Based on legislation of Republic of Kazakhstan, the calculation and distribution of dividends should be made after the approval of financial statements.

Value added tax

Output value added tax related to sales is payable to tax authorities when goods or services are delivered to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases, which were not offset at the reporting date, is recognised in the statement of financial position on a net basis. The recoverable VAT is classified as a non-current asset, if it is not expected to be recovered during one year after completion of the reporting period.

Trade payables

Trade payables are accrued when the counterparty performs its obligations under the contract and are recognised initially at fair value and subsequently carried at amortised cost calculated using the effective interest rate method.

Provisions for other liabilities and charges

Provisions for liabilities and charges are non-financial liabilities with indefinite maturity or amount. They are accrued when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions for other liabilities and charges include the site restoration provision and other provisions for liabilities and charges recorded in the financial statements.

Provision for asset retirement obligations

Assets retirement obligations are recognised when it is probable that the costs would be incurred and those costs can be measured reliably. Asset retirement obligations include the costs of rehabilitation and costs of liquidation (demolition of buildings, constructions and infrastructure, dismantling of machinery and equipment, transportation of the residual materials, environmental clean-up, monitoring of wastes and land restoration).

3 Material Information about Accounting Policies (Continued)

An estimated cost of dismantling and removal of an item of property, plant and equipment is added to the cost of the item at the time of acquisition of this item of property, plant and equipment or when the item is used for the purposes not related to production during a period in which the liability arises arising from a respective fact of disturbance of lands during contamination of environment, based on the discounted value of estimated future costs.

Changes in the estimate of the existing asset retirement obligation as a result of changes in estimated maturity or amount of respective costs or as a result of change in the discount rate are recorded as an adjustment of the cost of a respective asset in the current period. These costs are subsequently amortised during useful lives of assets, to which they are related, using the amortisation method appropriate to these assets. Changes in the provisions for asset retirement obligations related to damage during the production and processing phase are recorded in profit or loss for the year.

Provisions for asset retirement obligations do not include any additional obligations which are expected to arise from future disturbances. Estimated amounts of the costs are calculated annually in the course of operations taking into account known changes, for example, updated estimated amounts and revised useful lives of assets or set terms of operating activities, with conduct of official reviews on a regular basis. Although the final cost to be incurred is uncertain, the Company estimates its costs based on feasibility and engineering studies using current restoration standards and techniques for conducting restoration and retirement works.

The amortisation or "unwinding" of the discount applied in establishing the net present value of provisions is charged to profit or loss in each accounting period. The amortisation of the discount is disclosed as finance costs.

Amendment of the financial statements after issue

Any changes to these financial statements after issue require approval of the Company's management, who authorised these financial statements for issue.

4 Critical Accounting Estimates and Judgements in Applying Accounting Policies

The Company makes estimates and assumptions that affect the amounts recognised in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Uranium reserves

Uranium reserves are a critical component of the Company's projected cash flow estimates that are used to assess the recoverable values of assets and to determine depreciation and amortisation expense and are subject to changes from time to time.

The Company uses a method of reserve evaluation based on Australasian Code for reporting on geological exploration works, mineral resources and ore reserves dated December 2012 ("JORC Code"), which requires the use of justified assumptions, including:

- evaluation of the future production, which includes proved and forecast reserves, evaluations of reserves and obligation on expansion;
- assumed future commodity prices based on the effective market price, forward prices and the Company's estimate of long-term average price; and
- future cash costs of production, capital investments and restoration liabilities.

Impairment of non-financial assets

At the end of each reporting period, the Company assesses assets for any indication of their possible impairment. If any such indications exist, the recoverable amount of the assets is calculated and compared with their carrying amount. An excess of the carrying amount over the recoverable amount is recognised as impairment.

4 Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)

The recoverable amount of an asset or cash generating unit is the higher of value in use of the asset (unit) and its fair value less selling expenses. The calculation of the value in use requires the Company to estimate future cash flows of the Company from the use of the asset (cash generating unit). The evaluation of the future cash flows includes significant judgements regarding future commodity prices (for uranium and other products and services), volumes of sales, discount rates, growth rates, level of operating costs and other factors.

The review and calculations for impairment are based on assumptions corresponding to the business models of the Company. Due to its subjective nature, these estimates could differ from future actual results of operations and cash flows; any such difference may result in impairment in future periods which would decrease the carrying value of the respective asset.

To estimate impairment the assets are grouped on the lowest levels, for which there are separate identifiable cash flows significantly independent on cash flows from other assets or groups of assets (cash generating units). The Company determined each field (contract area) as a separate cash generating unit.

As of 31 December 2024 and 31 December 2023, the Company's management performed an analysis and concluded that there were no indicators of impairment of the assets.

Provision for asset retirement obligations

According to environmental regulations, the Company has a legal obligation to remediate damage caused to the environment from its operations, dismantling of equipment and soil remediation after completion of activities. The provisions are made based on the discounted value of costs of liquidation and remediation as soon as the obligations arise from past operating activities.

A provision for asset retirement obligations is estimated based on the Company’s interpretation of the current environmental legislation in the Republic of Kazakhstan and related remedial action programs at contract areas and other operating activities, supported by a feasibility study and engineering research according to the applicable restoration and retirement standards and techniques.

The estimates of the costs of damage elimination are subject to potential changes in environmental requirements and interpretations of the legislation. Liquidation obligations are recognised in case of a probability of their occurrence and possibility of their reasonable estimate.

In accordance with the Roadmap for the implementation of the Environmental and Social Action Plan (ESAP), in order to bring uniformity to the procedure for calculating costs and estimated costs during the liquidation of subsoil use facilities, the Standard of NAC Kazatomprom JSC "Methodological guidelines for calculating estimated cost of liquidation of enterprises” was developed and approved in 2022. As part of the implementation of this Standard, the Company updated projects and plans with up-to-date calculations of the cost of eliminating the consequences of subsoil use during the extraction of uranium by the method of in-situ leaching with calculations of reclamation work. When calculating the amounts for eliminating the consequences of subsoil use, the Company took into account the description of the technical solutions for the planned elimination of consequences for each subsoil area, such as a geotechnological test site, infrastructure connecting technological units with processing plants, industrial sites of closed and open access, and other facilities. When assessing the reclamation period, the Company took into account the aspects of changes in market conditions that may affect the value of the obligation.

Significant judgements in such estimations include the estimate of the discount rate, cost of work and timing of future cash outflows. The discount rate is applied to the nominal value of work which management is assuming to conduct to liquidate and restore assets in the future. Accordingly, management’s estimates made on current prices were increased using the assumed long-term inflation rate (2024: 5.84% for Central Mynkuduk field and 4.73% for Zhalpak field; 2023: 5.37% for Central Mynkuduk field and 4.49% for Zhalpak field) and subsequently discounted based on the discount rate. The discount rate reflects current market estimates of time value of money and risks on obligations which were not accounted for in the best estimates of costs. The discount rate applied by the Company to calculate the provision at 31 December 2024 amounted to 12.38% for Central Mynkuduk field and 12.51% for Zhalpak field (2023: 12.77% for Central Mynkuduk field and 12.15% for Zhalpak field).

At 31 December 2024, the total carrying amount of the provision for asset retirement obligations amounted to Tenge 7,597,923 thousand (2023: Tenge 5,468,379 thousand) (Note 20).

Management assessed the sensitivity of fair value estimates to changes in unobservable inputs in determining the carrying amount of the provision for asset retirement obligations. A sensitivity analysis indicating the amount of change in the carrying amount if one of the assumptions were changed and the other assumptions held constant is presented below:

4 Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)

Were the estimated inflation rate to differ by 10% from management's estimates, the carrying value of provision for asset retirement obligations for the year ended 31 December 2024 would increase by Tenge 400,398 thousand or decrease by Tenge 382,204 thousand (2023: increase by Tenge 306,831 thousand or decrease by Tenge 291,412 thousand).

Were the estimated discount rate to differ by 10% from management's estimates, the carrying value of provision for asset retirement obligations for the year ended 31 December 2024 would decrease by Tenge 748,963 thousand or increase by Tenge 843,669 thousand (2023: decrease by Tenge 634,413 thousand or increase by Tenge 731,990 thousand).

Useful lives of property, plant and equipment

The estimation of the useful lives of items of property, plant and equipment is a matter of judgement based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use. However, other factors such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets.

Management assesses the remaining useful lives of property, plant and equipment based on the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits. The following primary factors are considered: (a) the expected usage of the assets; (b) the expected physical wear and tear, which depends on operational factors and maintenance schedule; and (c) the technical or commercial obsolescence arising from changes in market conditions.

The Company's property, plant and equipment (except those used for uranium production and its pre-processing) are depreciated on a straight-line basis over their useful life. Management reviews compliance of useful lives of assets at least annually; any changes can impact perspective rates of depreciation and carrying amount of assets.

Estimated useful lives of assets related to uranium production

Property, plant and equipment related to uranium production are depreciated using the production method during the term of deposit mining based on the estimate of mineral reserves. In determining mineral reserves the assumptions which were valid during the evaluation can change upon arrival of new information. Any changes can affect the perspective rates of depreciation and carrying amount of an asset.

The calculation of the depreciation rate using the production method can be affected by the fact that the actual production will differ from the forecast production in the future. The deviation usually arises as a result of significant changes in the factors or assumptions used in the estimate of mineral reserves.

Such factors can include:

- changes in the estimate of mineral reserves;
- significant change, from time to time, in a sort of mineral reserves;
- differences between actual commodity prices and estimated commodity prices used in the estimate of mineral reserves;
- unforeseen operating problems at the fields; and
- changes in capital and operating costs, costs of processing and remediation, discount rates and exchange rates, possibly adversely affecting economic characteristics of mineral reserves.

The estimates of reserves can change from period to period. It can affect financial results of the Company. Such changes in reserves can affect the accrual of depreciation, carrying amount of assets and amount of the provisions for asset retirement obligations. Management revises compliance of the useful lives of assets at least on an annual basis.

5 Adoption of New or Revised Standards and Interpretations

The following new standards and amendments became effective from 1 January 2024:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024).
- Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024).
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023).

Unless otherwise described above, the new standards and interpretations are not expected to affect significantly the Company's financial statements.

6 New Accounting Pronouncements

Certain new standards, related amendments and interpretations are effective for the annual periods beginning on or after 1 January 2025 and were not applied in the preparation of these financial statements. The following amendments to standards and interpretations are not expected to have a material impact on the Company's operations:

- Amendments to IAS 21 Lack of Exchangeability (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025).
- Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027).
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027).
- IFRS 14 Regulatory Deferral Accounts (issued on 30 January 2014).
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB).
- Annual Improvements to IFRS Accounting Standards (issued in July 2024 and effective from 1 January 2026).

7 Balances and Transactions with Related Parties

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with other government owned entities are not disclosed when they are entered in the ordinary course of business with terms consistently applied to all public and private entities, i) when they are not individually significant, ii) if the Company's services are provided on standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications, etc.

At 31 December 2024, the outstanding balances with related parties were as follows:

In thousands of Kazakhstanı Tenge	**Trade receivables**	**Trade payables**
NAC Kazatomprom JSC	59,243,064	47,467
CGNM UK Limited	26,216,414	-
Entities under control of NAC Kazatomprom JSC	160,540	2,603,133
Other entities under control of SWF Samruk-Kazyna JSC	84	4,652
Total	**85,620,102**	**2,655,252**

7 Balances and Transactions with Related Parties (Continued)

The income and expense items with related parties for the year ended 31 December 2024 were as follows:

In thousands of Kazakhstani Tenge	Sales of goods and services	Purchase of goods and services
CGNM UK Limited	83,261,285	-
NAC Kazatomprom JSC	94,141,173	23,468
Entities under control of NAC Kazatomprom JSC	122,812	34,912,245
Other entities under control of SWF Samruk-Kazyna JSC	300	523,191
Total	**177,525,570**	**35,458,904**

The Company sells uranium product to the NAC Kazatomprom JSC and CGNM UK Limited based on the spot price, which is determined with reference to quotations of UX Consulting LLC and Trade Tech LLC, and adjusted by the fixed discount and transfer differential (the transfer differential is not included in the sales price calculation under the contract with CGNM UK Limited).

Purchase of goods and services includes uranium transportation, scientific research, uranium processing to chemical concentrate of uranium and other services provided based on market conditions.

At 31 December 2023, the outstanding balances with related parties were as follows:

In thousands of Kazakhstani Tenge	Trade receivables	Trade payables
NAC Kazatomprom JSC	30,985,033	52,469
CGNM UK Limited	24,414,493	-
Entities under control of NAC Kazatomprom JSC	34,028	1,974,142
Other entities under control of SWF Samruk-Kazyna JSC	112	18,499
Total	**55,433,666**	**2,045,110**

The income and expense items with related parties for the year ended 31 December 2023 were as follows:

In thousands of Kazakhstani Tenge	Sales of goods and services	Purchase of goods and services
CGNM UK Limited	64,006,860	-
NAC Kazatomprom JSC	61,659,552	22,589
Entities under control of NAC Kazatomprom JSC	172,214	16,670,737
Other entities under control of SWF Samruk-Kazyna JSC	300	520,849
Total	**125,838,926**	**17,214,175**

Settlements on related party transactions are payable by cash during a period of up to six months after the reporting date. All the liabilities are unsecured.

7 Balances and Transactions with Related Parties (Continued)

Dividends paid to related parties during the year were as follows:

In thousands of Kazakhstani Tenge	**2024**	**2023**
NAC Kazatomprom JSC	26,536,501	21,810,955
CGNM UK Limited (including corporate withholding tax)	25,495,853	20,955,623
Total	**52,032,354**	**42,766,578**

The below table presents information about compensation to the key management personnel, which includes 4 people as of 31 December 2024 (2023: 4 people):

	2024		**2023**	
In thousands of Kazakhstani Tenge	**Expenses**	**Liability**	**Expenses**	**Liability**
Short-term payments				
Salaries and bonuses	148,694	-	112,521	15,378
Total	**148,694**	**-**	**112,521**	**15,378**

8 Revenue from Contracts with Customers

The Company recognises revenue from the transfer of goods at a point in time and revenue from sale of services over time for the following streams:

In thousands of Kazakhstani Tenge	**2024**	**2023**
Revenue from uranium sales	177,402,458	125,313,302
Transportation services	-	352,075
Other	67,191	77,328
Total revenue from contracts with customers	**177,469,649**	**125,742,705**

Revenue from contracts with customers increased compared to 2023 due to fluctuations in the spot price of uranium during 2024. The average sale price in 2024 was 14% higher than the average sale price in 2023.

9 Cost of Sales

In thousands of Kazakhstani Tenge	**2024**	**2023**
Depreciation and amortisation	11,023,816	8,998,849
Mineral extraction tax	10,975,909	7,029,602
Materials and supplies	13,524,483	5,534,204
Payroll and related deductions	6,900,316	5,130,463
Third party services	5,616,074	4,242,760
Fuel and electricity	2,368,509	1,790,825
Other expenses	3,510,408	3,163,905
Total cost of sales	**53,919,515**	**35,890,608**

10 General and Administrative Expenses

In thousands of Kazakhstani Tenge	Note	2024	2023
Non-tax penalties and fines	22	1,863,451	11,480,298
Payroll and related deductions		901,400	721,917
Consulting services		182,771	118,945
Training		99,613	64,607
Depreciation and amortisation		60,413	62,634
Other expenses		289,666	231,706
Total general and administrative expenses		**3,397,314**	**12,680,107**

During the reporting period, the auditors of PricewaterhouseCoopers LLP received from the Company the fee for the audit services provided in the amount of Tenge 12,870 thousand (2023: Tenge 10,881 thousand).

As a result of a review by the Republican State Institution "Department of ecology for Turkestan region of the Committee of ecological regulation and control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan" based on act of the Department of Internal State Audit of Turkestan region dated 19 August 2024 #79 on appointment of the review of the audit on 4 September 2024, the Company received a notification on accrual of a penalty of Tenge 1,863,200 thousand for an identified excess of ecological norms in admissible effluent discharges. As of the reporting date, the Company filed a complaint on contestation of this issue in a judicial proceeding according to the legislation of the Republic of Kazakhstan (Note 22).

11 Income Tax Expense

(a) Components of income tax expense

Income tax expense recorded in profit or loss for the year comprises the following:

In thousands of Kazakhstani Tenge	2024	2023
Current income tax	25,134,680	17,653,109
Deferred income tax	(214,437)	(274,931)
Total income tax expense	**24,920,243**	**17,378,178**

(b) Reconciliation between the income tax expense and accounting profit multiplied by applicable tax rate

The income tax rate applicable to the Company's 2024 and 2023 income is 20%. A reconciliation between the expected and the actual taxation charge is provided below.

In thousands of Kazakhstani Tenge	2024	2023
Profit before tax	**120,856,577**	**74,628,819**
Theoretical tax charge at statutory rate of 20% (2023: 20%):	24,171,315	14,925,764
Tax effect of items which are not deductible or assessable for taxation purposes:		
Adjustment of income tax for prior years	92,021	151,825
Non-deductible expenses and other items	656,907	2,300,589
Income tax expense for the year	**24,920,243**	**17,378,178**

12 Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

In thousands of Kazakhstani tenge	Land	Buildings and construc-tions	Plant and equipment	Vehicles	Прочее	Construc-tion in progress	Total
Cost							
At 1 January 2023	279	16,134,686	2,697,189	490,028	501,081	300,446	20,123,709
Changes in accounting estimates	-	639,716	-	-	-	-	639,716
Additions	-	97,521	249,930	311,502	23,428	9,362,350	10,044,731
Transfers	-	706,998	675,898	55,944	-	-	1,438,840
Disposals	-	(3,552)	(12,864)	-	(10,788)	(9,115,007)	(9,142,211)
At 31 December 2023	**279**	**17,575,369**	**3,610,153**	**857,474**	**513,721**	**547,789**	**23,104,785**
Changes in accounting estimates		1,805,871					1,805,871
Additions		34,967	109,008	311,254	209,403	16,953,208	17,617,840
Transfers		870,761	169,832	27,171	-		1,067,764
Disposals		-	(76,076)	-	(19,965)	(12,975,981)	(13,072,022)
At 31 December 2024	**279**	**20,286,968**	**3,812,917**	**1,195,899**	**703,159**	**4,525,016**	**30,524,238**
Accumulated depreciation							
At 1 January 2023	-	(6,136,890)	(1,981,515)	(393,018)	(331,551)	-	(8,842,974)
Depreciation charge	-	(707,780)	(159,407)	(39,835)	(61,601)	-	(968,623)
Disposals	-	2,087	11,536	-	10,676	-	24,299
Reversal of impairment	-	-	6,649	-	15	8,840	15,504
At 31 December 2023	**-**	**(6,842,583)**	**(2,122,737)**	**(432,853)**	**(382,461)**	**8,840**	**(9,771,794)**
Depreciation charge		(819,314)	(235,474)	(105,106)	(63,543)	-	(1,223,437)
Disposals		-	76,076	-	19,965		96,041
Reversal of impairment		-	-	-	-	(8,840)	(8,840)
At 31 December 2024		**(7,661,897)**	**(2,282,135)**	**(537,959)**	**(426,039)**	**-**	**(10,908,030)**
Net carrying amount							
At 31 December 2023	279	10,732,786	1,487,416	424,621	131,260	556,629	13,332,991
At 31 December 2024	**279**	**12,625,071**	**1,530,782**	**657,940**	**277,120**	**4,525,016**	**19,616,208**

Depreciation charges of Tenge 1,253,396 thousand (2023: Tenge 920,381 thousand) were recorded in cost of sales in line ‘depreciation and amortisation’, Tenge 12,390 thousand (2023: Tenge 13,921 thousand) in general and administrative expenses, Tenge 42,349 thousand (2023: Tenge 34,321 thousand) in work in progress (inventories).

13 Mine Development Assets

In thousands of Kazakhstani tenge	Field preparation	Field restoration	Ion exchange resin	Total
At 1 January 2023				
Cost	34,998,991	1,481,794	2,425,722	38,906,507
Accumulated amortisation and impairment losses	(17,847,246)	(617,142)	(577,397)	(19,041,785)
Carrying amount	**17,151,745**	**864,652**	**1,848,325**	**19,864,722**
Additions	14,891,274	-	319,079	15,210,353
Changes in accounting estimates	-	762,181	-	762,181
Amortisation charge	(8,112,939)	(52,435)	(159,587)	(8,324,961)
At 31 December 2023				
Cost	49,890,265	2,243,975	2,744,801	54,879,041
Accumulated amortisation and impairment losses	(25,960,185)	(669,577)	(736,984)	(27,366,746)
Carrying amount	**23,930,080**	**1,574,398**	**2,007,817**	**27,512,295**
Additions	20,714,774		625,958	21,340,732
Changes in accounting estimates		(370,372)		(370,372)
Amortisation charge	(9,094,917)	(124,478)	(186,987)	(9,406,382)
At 31 December 2024				
Cost	70,605,039	1,873,603	3,370,759	75,849,401
Accumulated amortisation and impairment losses	(35,055,102)	(794,055)	(923,971)	(36,773,128)
Carrying amount	**35,549,937**	**1,079,548**	**2,446,788**	**39,076,273**

Additions in mine development assets are mainly represented by well drilling services, capital repair of tank overhauls and geotechnical work.

As part of the unification of accounting in regards to depletion (depreciation) in accordance with the accounting policy of NAC Kazatomprom JSC, in 2023 the Company switched to accounting that involves capitalizing the costs of preparing new blocks for the total cost of mine development assets.

14 Subsurface Rights

In thousands of Kazakhstani tenge	Subscription bonus	Commercial discovery bonus	Historical costs	Total
At 1 January 2023				
Cost	111,614	175,204	1,537,507	1,824,325
Accumulated amortisation and impairment losses	(2,866)	(52,454)	(73,015)	(128,335)
Carrying amount	**108,748**	**122,750**	**1,464,492**	**1,695,990**
Additions	--	-	-	-
Amortisation charge	(1,509)	(9,795)	(26,485)	(37,789)
At 31 December 2023				
Cost	111,614	175,204	1,537,507	1,824,325
Accumulated amortisation and impairment losses	(4,375)	(62,249)	(99,500)	(166,124)
Carrying amount	**107,239**	**112,955**	**1,438,007**	**1,658,201**
Additions				
Amortisation charge	(1,482)	(10,761)	(26,879)	(39,122)
At 31 December 2024				
Cost	111,614	175,204	1,537,507	1,824,325
Accumulated amortisation and impairment losses	(5,857)	(73,010)	(126,379)	(205,246)
Carrying amount	**105,757**	**102,194**	**1,411,128**	**1,619,079**

15 Other Non-Current Assets

In thousands of Kazakhstani Tenge	2024	2023
Cash on deposit bank accounts – liquidation fund	4,166,744	3,011,662
Other non-current assets	3,034,486	1,873,728
Advances given for the acquisition of non-current assets	2,568,369	4,907,667
Provision for cash on deposit bank accounts	(6,696)	(4,891)
Total other non-current assets	**9,762,903**	**9,788,166**

Long-term advances represent prepayments for work and services that will be recognised as property, plant and equipment or mine development assets when they are actually provided.

Cash in deposit bank accounts represents a liquidation fund required to meet the obligation to liquidate and restore assets in the future. These funds are subject to restrictions under subsoil use contracts and are therefore not available for use by the Company. The liquidation fund is denominated in US dollars and the fixed annual interest rate on the deposit was 1.5 % (2023: 3%).

16 Inventories

In thousands of Kazakhstani Tenge	2024	2023
Work in progress	3,109,243	2,827,364
Raw materials	919,436	517,698
Fuel	43,865	54,057
Finished goods	-	736,167
Total inventories	**4,072,544**	**4,135,286**

The movements in the provision for obsolete and slow-moving inventories are as follows:

In thousands of Kazakhstani Tenge	2024	2023
Balance at 1 January	132,106	79,788
Accrual/(reversal) of provision for obsolete and slow-moving inventories during the year	(6,006)	52,318
Balance at 31 December	**126,100**	**132,106**

17 Trade Receivables

In thousands of Kazakhstani Tenge	2024	2023
Trade receivables from related parties	85,925,838	55,437,461
Oher trade receivables	78,783	82,144
Total trade and other receivables	**86,004,621**	**55,519,605**

Trade receivables are denominated in the following currencies:

In thousands of Kazakhstani Tenge	2024	2023
Tenge	59,788,207	31,105,112
US Dollars	26,216,414	24,414,493
Total trade receivables	**86,004,621**	**55,519,605**

18 Cash and Cash Equivalents

In thousands of Kazakhstani Tenge	2024	2023
Short-term bank deposits	4,802,956	2,908,624
Current bank accounts	11,078	25,342
Cash on hand	337	349
Credit loss allowance	(327)	(223)
Total cash and cash equivalents	**4,814,044**	**2,934,092**

As of 31 December, cash on current bank accounts was denominated in the following currencies:

In thousands of Kazakhstani Tenge	2024	2023
US Dollars	10,898	25,290
KZT	180	52
Total cash and cash equivalents	**11,078**	**25,342**

18 Cash and Cash Equivalents (Continued)

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2024. Refer to Note 23 for the description of the Company’s credit risk grading system.

In thousands of Kazakhstani Tenge	Bank balances payable on demand	Short-term bank deposits	Total
- Excellent	-	-	-
- Good	11,078	4,802,956	4,814,034
- Satisfactory	-	-	-
- Requires special monitoring	-	-	-
Total cash and cash equivalents, excluding cash on hand	**11,078**	**4,802,956**	**4,814,034**

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2023. Refer to Note 23 for the description of the Company’s credit risk grading system.

In thousands of Kazakhstani Tenge	Bank balances payable on demand	Short-term bank deposits	Total
- Excellent	-	-	-
- Good	25,342	2,908,624	2,933,966
- Satisfactory	-	-	-
- Requires special monitoring	-	-	-
Total cash and cash equivalents, excluding cash on hand	**25,342**	**2,908,624**	**2,933,966**

19 Share Capital

The Company is a limited liability partnership. As of 31 December 2024 and 2023, contributions to the authorized capital and voting interests in the Company are distributed as follows:

In thousands of Kazakhstani Tenge	%	2024	%	2023
NAC Kazatomprom JSC	51	13,853,678	51	13,853,678
CGNM UK Limited	49	13,310,396	49	13,310,396
Total share capital	**100**	**27,164,074**	**100**	**27,164,074**

In accordance with Kazakhstani legislation, the Company distributes profits for the current or previous years (if the income was not used to cover the losses of the Company) as dividends based on financial statements prepared in accordance with international accounting standards, among the owners in proportion to their share of ownership. During 2024, according to the results of 2023, the Company declared dividends according to the results of 2023 in the amount of Tenge 45,800,512 thousand and paid dividends of Tenge 23,358,261 thousand to NAC Kazatomprom JSC and Tenge 22,442,251 thousand (including corporate income tax withheld at source in the amount of Tenge 3,366,338 thousand) to CGNM UK Limited.

20 Provision for Asset Retirement Obligations

In thousands of Kazakhstani Tenge	2024	2023
Provision at 1 January	5,468,379	3,645,515
Changes in estimates as a result of which the provision is adjusted, which is considered in the cost of property, plant and equipment	1,805,871	639,716
Increase/(decrease) in the asset due to changes in inflation rate, discount rate and cost of work	(370,372)	762,181
Unwinding of discount	694,045	420,967
Provision at 31 December	**7,597,923**	**5,468,379**

The provision for asset retirement obligations is determined using current prices (prices at the reporting date) on expenses to be incurred and by applying a projected rate of inflation for the period until maturity date of the obligation. Considering the long-term nature of the obligation, there is uncertainty regarding the actual value of costs.

The assessment of the obligation to liquidate and restore assets as of 31 December 2024 was carried out in accordance with the Guidelines for calculating the estimated cost of liquidation works by the Standard of NAC Kazatomprom JSC, developed by the Center for Environmental Design and Monitoring of the Institute of High Technologies LLP and the drafted project of development of the plan of abandonment of the fields of the Company from “BNK Mercur Project” LLP. The change in the value of the obligation in 2024 is associated with a change in the discount rate, inflation rate and the cost of work. A significant part of the costs for environmental protection measures falls on 2033 for the Central Mynkuduk field and in 2042 for the Zhalpak field.

In determining the provision, the Company’s management used assumptions and estimates based on the experience of decommissioning and remediation activities of a similar nature. The estimated assumptions and estimates were presented by the Company’s engineers and professional consultants based on the best interpretation of the effective environmental regulations.

21 Trade Payables

In thousands of Kazakhstani Tenge	2024	2023
Trade payables to related parties	2,777,840	2,045,110
Other trade payables	2,799,268	1,576,698
Total trade payables	**5,577,108**	**3,621,808**

Information on the Company’s exposure to foreign exchange risk and liquidity risk regarding trade payables is disclosed in Note 23.

22 Contingencies and Commitments

Legal proceedings

From time to time and in the normal course of business, claims against the Company may be received. On the basis of its own estimates, management is of the opinion that no material losses will be incurred in respect of claims.

Taxation

Tax conditions in the Republic of Kazakhstan are subject to changes and inconsistent application and interpretation. In particular, current subsurface contracts do not contain tax stability from 1 January 2009, and tax liabilities are calculated per the standard procedure, which can lead to unfavourable changes in tax positions of the subsoil users, including the Company’s position. Discrepancies in interpretation of Kazakhstan’s laws and regulations by the Company and Kazakhstani authorities may lead to accrual of additional taxes, penalties and interest.

Kazakhstani tax legislation and practice is in a state of continuous development, and therefore is subject to varying interpretations and frequent changes, which may be retroactive. In certain cases, to determine the taxable basis the tax legislation refers to IFRS provisions, however the interpretation of IFRS provisions by Kazakhstani tax authorities may differ from accounting policies, judgements and estimates applied by management in preparation of these financial statements, which may lead to additional tax liabilities of the Company. Tax authorities can conduct a retroactive review for five years after the end of the tax year.

22 Contingencies and Commitments (Continued)

The Company's management believes that its interpretation of respective legislation is acceptable, and the Company's tax position is justified. In the opinion of the Company's management, the Company will not incur significant losses on current and potential tax claims.

Transfer pricing law

A transfer pricing law was enacted as at 1 January 2009. The law applies to cross-border transactions involving sales of goods and services. In addition, the transfer pricing law applies to in-country sales and purchases of goods and services, if it is determined that these transactions will not be effected not on an arm's length basis.

Also, the law excluded the 10% price safe haven provision. Accordingly, the tax authorities are entitled to review prices under any transaction, if the negotiated price varies from the price of transaction on commercial terms by any percentage. Management of the Company considers these requirements while assessing its income tax liabilities.

In September 2021, the tax authorities initiated a thematic tax audit on the issue of transfer pricing for the Company's three-year tax period, from 1 January 2016 to 31 December 2018. However, on 1 November 2021, the transfer pricing audit was suspended by the tax authorities and, as of 31 December 2022, has not been resumed. The tax audit was suspended due to the need for an additional assessment of transfer pricing based on documents provided by the Company to justify the application of the transport differential for uranium supplies to the People's Republic of China. The tax authorities sent inquiries to various transport companies to confirm the transport differential applied by the Company. In November 2023, the Company received a documentary tax audit report, according to the results of which the amount of additional assessment was zero tenge. Thus, the thematic tax audit on the issue of transfer pricing was closed without charges or penalties.

Compliance with contractual obligations

The Company is obliged to comply with the conditions stipulated by the subsoil use contract. Failure to comply with the conditions may lead to negative consequences, including termination of the contract. In 2024, the Company received a notice from the Ministry of Energy of violation of obligations under contract No. 1796-ТПИ for failure to fulfill an obligation for in-country value in goods for 2023 in the amount of Tenge 34,795 thousand and for failure to fulfill an obligation for in-country value in the personnel in the amount of Tenge 6,900 thousand. In 2024, on this notice the Company paid penalties of Tenge 41,696 thousand. As of the date of approval of the financial statements, the Company's management did not receive any notices from the Ministry of Energy of the Republic of Kazakhstan about other violations.

In 2021, the Company began the procedure for amending the Working Program for the "Project for the development of the Mynkuduk uranium field" of the Central site in the Turkestan region of the Republic of Kazakhstan", in which the unmined reserves for all previous years were distributed for future periods with the completion of the full development of the Central site in 2033. On 21 November 2022, the Company signed Addendum No. 4 to the Contract, which defines the adjusted production volumes for future periods until the end of the mining of the Mynkuduk uranium field with the corresponding financial indicators. Thus, the Company has carried out the adjustment of production volumes and related financial obligations in future periods until the end of the field development. The Company submitted all reports on the fulfillment of license and contract conditions for 2018-2022, which were accepted by the competent authority.

In August 2023, the Company transferred funds to the Republican Budget of the Republic of Kazakhstan in the amount of Tenge 11,404,494 thousand within the framework of the Protocol Order of the meeting of the Energy Council under the President of the Republic of Kazakhstan dated 3 July 2023 as payment for the cost of mined uranium at the Zhalpak field for 2018-2020 in accordance with the market pricing formula. This payment has a positive effect in resolving open issues with the authorized bodies of the Republic of Kazakhstan.

Insurance

The insurance services market in Kazakhstan is in its infancy, and many forms of insurance common in other countries are not yet available. The Company does not have full insurance coverage in respect of its production facilities, losses caused by production stoppages, or arising liabilities to third parties in connection with damage to property or the environment as a result of accidents or the Company's activities. Until the Company has adequate insurance coverage, there is a risk that the loss or damage to certain assets could have a material adverse effect on the Company's operations and financial position.

22 Contingencies and Commitments (Continued)

Environmental Commitments

Legislation on environmental protection in the Republic of Kazakhstan is in its infancy, and the position of the state bodies of the Republic of Kazakhstan regarding its enforcement is constantly changing. The Company periodically evaluates its obligations related to environmental impact. Liabilities are recognized immediately as they are identified.

Potential liabilities that may arise as a result of changes in existing regulations, as a result of a civil action or under the law, cannot be estimated but may be material. However, under the current interpretation of applicable law, management believes that the Company does not have any material liabilities, in addition to the amounts already accrued and recognized in these financial statements, that would have a material adverse effect on the Company's results of operations or financial position.

In 2021, the new Environmental Code of the Republic of Kazakhstan came into force. One of the innovations in the regulation of the economic activities of operators is the issue of obtaining integrated environmental permits associated with the use of the best available techniques. According to the analysis of the experts on the impact of changes in the Environmental Code, the Company concluded that at the end of 2024 there were no significant impacts on the financial position, however, additional obligations are more likely to arise during the construction and commissioning of new facilities and structures. If any, the Company intends to change the estimates of the estimated cost of objects subject to liquidation in the future.

One of the key changes to the Code is the Automated Emission Monitoring System ("AEMS"). The following is subject to AEMS:

- stationary sources of emissions with emissions of more than 500 tons/year from one source; and
- 4 main components for continuous monitoring - nitrogen oxides, sulfur dioxide, carbon monoxide and suspended solids.

However, the Company is not expected to install AEMS in the coming years, due to the absence of the abovementioned requirements.

Capital commitments

As at 31 December 2024, the Company had capital commitments totalling Tenge 1,170,355 thousand (2023: Tenge 745,617 thousand). The Company's management believes that future net income will be sufficient to cover these or similar liabilities.

23 Financial Risk Management

The risk management function within the Company is carried out with respect to financial risks, operational risks and legal risks. Financial risks comprise credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk). The Company's risk management policy was developed to identify and analyse risks, to which the Company is exposed, establish admissible risk limits and respective controls, and monitor risks and observance of set limits. The risk management policy and systems are regularly analysed for the need to make changes due to changes in market conditions and the Company's operations. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures.

This note presents information on the Company's exposure to each of the said financial risks, on the Company's goals, its policy and procedures of risk evaluation and management and on the Company's approaches to management of capital. Additional quantitative information is disclosed throughout these financial statements.

NAC Kazatomprom JSC and CGNM UK Limited are in charge of setting the Company's objectives and approval of the risk management policy. Management is in charge of implementing the risk management policy and organising an efficient risk management system and is responsible for its implementation and regularly reports on its work to the participants.

Credit risk

The Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the Company's sales of products on credit terms and other transactions with counterparties giving rise to financial assets. Credit risk is related mainly to the Company's trade receivables from customers and suppliers and cash and cash equivalents.

23 Financial Risk Management (Continued)

Credit risk related to cash and cash equivalents and long-term deposit (Note 15), 100% placed in the Republic of Kazakhstan, is limited since the counterparties are represented by banks with good available (In the Republic of Kazakhstan) credit ratings assigned by international rating agencies.

The table below shows the credit ratings (if any) at the end of the corresponding reporting period:

In thousands of Kazakhstani tenge	Note	Rating (Moody’s)	31 December 2024	31 December 2023
Financial trade receivables	17	Absent	86,004,621	55,519,605
Deposits	**15**			
Halyk Bank of Kazakhstan JSC		Baa3	4,802,956	-
Commercial and Industrial Bank of China in Almaty JSC		Baa1	4,179,439	3,011,662
ForteBank JSC		Ba1	-	-
Cash and cash equivalents	**18**			
Halyk Bank of Kazakhstan JSC		Baa3	50	2,401,088
ForteBank JSC		Ba1	58	507,586
Commercial and Industrial Bank of China in Almaty JSC		Baa1	21	25,292
Altyn Bank JSC		Baa2	72	-
Total cash at current bank accounts and restricted deposits			**8,982,596**	**5,945,628**
Total maximum exposure to credit risk			**94,987,217**	**61,465,233**

The Company is exposed to concentrations of credit risk, since approximately 99.96 % of the Company’s revenue is attributable to sales transactions with two main customers (in 2023: 99.7% the Company’s revenue is attributable to sales with two main customers) – NAC Kazatomprom JSC and CGNM UK Limited (Note 8).

Expected credit loss (ECL) measurement

Assessment of expected credit losses is a significant estimate, for which the assessment methodology, models an initial data are used. The following components have significant impact on credit loss allowance: determination of default, a significant increase in credit risk, the probability of default, exposure to default risk and the amount of loss in the event of default, as well as models of macroeconomic scenarios. The Company regularly checks and confirms models and initial data for models in order to reduce discrepancies between estimated expected credit losses and actual credit losses.

The Company incorporated supportable forward-looking information for assessment of expected credit losses, which was mainly based on the forecasted macro-economic model adopted by NAC Kazatomprom JSC. The following easily interpreted assumptions were used for the analysis: growth rate of GDP, inflation rate, foreign exchange rate and economic indicator. The final macro-economic function includes only the assumption of inflation. Information about prospects is included in the parameters of the probability of default during the next 12 months after the reporting date.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily calls on its available cash resources. Management monitors monthly rolling forecasts of the Company’s cash flows.

The Company seeks to maintain a stable funding base primarily consisting of trade and other payables. The Company’s approach to liquidity risk management is to ensure, as far as possible, the continuous and sufficient liquidity to meet the Company’s liabilities as they fall due (both under standard and non-standard situations), preventing unacceptable losses or damage to the Company’s reputation.

The Company usually ensures presence of cash available on first demand, in the amount sufficient to cover expected operating expenses. It does not consider potential impact of exceptional circumstances, the occurrence of which could not reasonably be foreseen, for example, natural disasters.

23 Financial Risk Management (Continued)

The table below shows liabilities by their remaining contractual maturity at the reporting date. When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

In thousands of Kazakhstani Tenge	Note	Carrying amount	Contrac-tual cash flows	On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	Over1 year
Trade payables	**21**						
At 31 December 2024		5,577,108	5,577,108	-	5,577,108		
At 31 December 2023		3,621,808	3,621,808	-	3,621,808	-	-

Market risk

The following is information on the Company's exposure to the impact of market risks, i.e. risks that a change in market prices will have an adverse impact on the Company's profit or on the cost of its financial instruments.

Currency risk

In respect of currency risk, management sets limits on the level of risk exposure by currency, which are monitored on periodical basis.

The table below summarises the Company's exposure to foreign currency exchange rate risk at the end of the reporting period:

	At 31 December 2024			At 31 December 2023		
In thousands of Kazakhstani Tenge	Monetary assets	Monetary liabilities	Net position	Monetary assets	Monetary liabilities	Net position
US Dollars	30,387,360	-	**30,387,360**	27,446,554	-	27,446,554
Total	**30,387,360**	-	**30,387,360**	**27,446,554**	-	**27,446,554**

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency, with all other variables held constant:

	At 31 December 2024	At 31 December 2023
In thousands of Kazakhstani Teng	Impact on profit or loss and equity	Impact on profit or loss and equity
US Dollar strengthening by 20%	4,861,978	4,391,449
US Dollar weakening by 20%	(4,861,978)	(4,391,449)

Fair value versus carrying amount

The Company believes that the carrying amount of current financial assets and financial liabilities recognised in the financial statements approximates their fair value due to their short-term nature.

Management of capital

The Company pursues a policy of sustaining a stable capital basis to safeguard the Company's ability to continue as a going concern, keep confidence of investors, creditors and market, to provide an acceptable level of profit for the shareholder, to maintain an optimal capital structure to minimise the cost of capital, and to ensure future business development. Capital includes share capital, other reserves and retained earnings of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of profit distributed to participants and sell assets to reduce debt. The capital managed by the Company at 31 December 2024 was Tenge 145,562,341 thousand (2023: Tenge 101,685,189 thousand).

During the year ended 31 December 2024, there were no changes in capital management goals, policies and processes.