



MOYNAK HPP NAMED AFTER U.D. KANTAYEV JSC

Financial Statements in accordance with IFRS Accounting Standards and Independent Auditor's Report

31 December 2024

The financial statements have been prepared in the Russian language and in English language. In all matters of the interpretations of information, views or opinions, the Russian version of the financial statements takes precedence over the English language version.

Contents

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

Statement of Financial Position	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Changes in Equity	3
Statement of Cash Flows	4

NOTES TO THE FINANCIAL STATEMENTS

1 The Company and its Operations	5
2 Material Accounting Policies	5
3 Critical Accounting Estimates and Judgements in Applying Accounting Policies	10
4 Adoption of New or Revised Standards and Interpretations	12
5 New Accounting Pronouncements	12
6 Balances and Transactions with Related Parties	12
7 Property, Plant and Equipment	14
8 Trade and Other Receivables	15
9 Other short-term financial assets	15
10 Cash and Cash Equivalents	16
11 Share Capital	16
12 Borrowings	16
13 Trade and Other Payables	18
14 Revenue from Contracts with Customers	18
15 Cost of Sales	19
16 General and Administrative Expenses	19
17 Finance Income and Costs	19
18 Taxes	20
19 Contingencies and Commitments	21
20 Financial Risk Management	22
21 Capital Management	25
22 Fair Value of Financial Instruments	26



Independent Auditor's Report

To the Shareholder and the Board of Directors of Moynak HPP named after U.D. Kantayev JSC:

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Moynak HPP named after U.D. Kantayev JSC (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 financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows 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.



Independent auditor's report (Continued)

Page 2

Our audit approach

Overview

Materiality	Overall Company materiality: 618,000 thousand of Kazakhstani Tenge, which represents 3.5% of profit before tax for the year ended 31 December 2024.
Key audit matters	The impact of changes in legislation regulating tariff policy and electricity market issues on the Company's results.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the financial statements as a whole.

Overall Company materiality	618,000 thousand Kazakhstani Tenge
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How we determined it	approximately 3.5% of profit before tax
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Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured by users, and is a generally accepted benchmark. We chose 3.5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector
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Key audit matters

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

Independent auditor's report (Continued)

Page 3

Key audit matter	How our audit addressed the key audit matter
The impact of changes in legislation regulating tariff policy and electricity market issues on the Company's results. <i>See Note 3 of the financial statements: The impact of changes in legislation regulating tariff policy and electricity market issues on the Company's results</i> The Company's activities and its results are significantly affected by changes in electricity legislation governing tariff policy and electricity market issues. From 1 July 2023, a new model of power market was introduced with the implementation of a Single Power Purchaser, Settlement and Financial Center for Support of Renewable Energy Sources LLP ("RFC") and a real time balancing electricity market ("BEM"). The Group conducted an analysis to assess the impact of changes on the revenue recognition process in accordance with IFRS 15 "Revenue from Contracts with Customers". The model of the electricity sales market, which came into force from 1 July 2023, and which was effective during the reporting period did not have a significant impact on the process of recognizing revenue from the sale of electricity. This issue required significant auditor's attention due to the presence of significant judgments.	Our procedures for assessing the impact of changes to the power market model which came into force from 1 July 2023, and which were effective during the reporting period included the following: • conducting a series of inquiries with management and technical specialists of the Company; • analysis of contracts with the RFC and Settlement Center for the Balancing Electricity Market, KOREM JSC, in accordance with IFRS 15; • analysis of input data from KOREM JSC on the balancing electricity market. We also paid attention to the adequacy of the disclosures in Note 3 to the financial statements in accordance with the requirements of IAS1 "Presentation of Financial Statements".

Responsibilities of management and those charged with governance 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.

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

Independent auditor's report (Continued)

Page 5

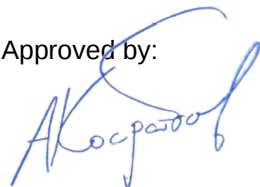
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

The engagement partner on the audit resulting in this independent auditor's report is Kumarbek Berdikulov.

On behalf of PricewaterhouseCoopers LLP

PricewaterhouseCoopers

Approved by:



Azamat Konratbaev
Managing Director
PricewaterhouseCoopers LLP
(General State License of the Ministry of
Finance of the Republic of Kazakhstan
№00000005 dated 21 October 1999)

Signed by:





Kumarbek Berdikulov
Auditor in charge
(Qualified Auditor's Certificate №МФ-0000188
dated 06 August 2014)

27 February 2025

Almaty, Kazakhstan

Moynak HPP named after U.D. Kantayev JSC
Statement of Financial Position

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	7	34,075,830	34,307,848
Intangible assets		57,563	69,068
Other investments		209,762	187,330
Other non-current assets		22,695	22,730
Total non-current assets		34,365,850	34,586,976
Current assets			
Inventories		234,920	229,262
Trade and other receivables	8	3,867,244	3,739,207
Loans issued		3,287	2,757
Other short-term financial assets	9	5,000,296	-
Cash and cash equivalents	10	3,048,465	3,465,104
Total current assets		12,154,212	7,436,330
TOTAL ASSETS		46,520,062	42,023,306
EQUITY			
Share capital	11	4,602,000	4,602,000
Other reserves		(277,348)	(277,348)
Retained earnings		18,275,637	5,561,077
TOTAL EQUITY		22,600,289	9,885,729
LIABILITIES			
Non-current liabilities			
Borrowings	12	8,435,664	17,258,836
Non-current lease liabilities		12,196	31,865
Deferred tax liabilities	18	4,378,093	4,371,830
Provision for asset retirement obligations		32,007	25,540
Total non-current liabilities		12,857,960	21,688,071
Current liabilities			
Borrowings	12	9,123,613	9,231,781
Trade and other payables	13	1,698,813	1,115,071
Income tax payable		239,387	102,654
Total current liabilities		11,061,813	10,449,506
TOTAL LIABILITIES		23,919,773	32,137,577
TOTAL LIABILITIES AND EQUITY		46,520,062	42,023,306

Signed on behalf of management on 27 February 2025.




A. Karymsak
Deputy Chairman on Economics and Finance


M.N. Tautai
Chief Accountant

Moynak HPP named after U.D. Kantayev JSC
Statement of Profit or Loss and Other Comprehensive Income

<i>In thousands of Kazakhstani Tenge</i>	Note	2024	2023
Revenue from contracts with customers	14	25,768,256	21,720,234
Cost of sales	15	(4,369,858)	(4,450,105)
Gross profit		21,398,398	17,270,129
Other income		37,452	139,276
General and administrative expenses	16	(618,844)	(397,370)
Other expenses		(149,769)	(178,908)
Operating profit		20,667,237	16,833,127
Finance income	17	906,686	872,271
Finance costs	17	(3,898,859)	(4,391,255)
Profit before tax		17,675,064	13,314,143
Income tax expense	18	(3,560,504)	(2,576,288)
Profit for the year		14,114,560	10,737,855
Other comprehensive income		-	-
Total comprehensive income for the year		14,114,560	10,737,855

Moynak HPP named after U.D. Kantayev JSC
Statement of Changes in Equity

<i>In thousands of Kazakhstani Tenge</i>	Note	Share capital	Retained earnings/ (accumulated loss)	Other reserves	Total
Balance as at 31 December 2022		4,602,000	(5,176,778)	(277,348)	(852,126)
Profit for the year		-	10,737,855	-	10,737,855
Total comprehensive income for 2023		-	10,737,855	-	10,737,855
Balance as at 31 December 2023		4,602,000	5,561,077	(277,348)	9,885,729
Profit for the year		-	14,114,560	-	14,114,560
Total comprehensive income for 2024		-	14,114,560	-	14,114,560
Dividends declared	11	-	(1,400,000)	-	(1,400,000)
Balance as at 31 December 2024		4,602,000	18,275,637	(277,348)	22,600,289

Moynak HPP named after U.D. Kantayev JSC
Statement of Cash Flows

<i>In thousands of Kazakhstani Tenge</i>	Note	2024	2023
Cash flows from operating activities			
Cash received from principal activity		28,487,597	23,811,570
Other cash receipts		72,838	29,977
Cash paid to suppliers		(1,325,555)	(2,277,737)
Cash paid to employees		(1,315,146)	(967,374)
Cash paid to the budget		(3,353,217)	(2,962,111)
Income tax paid		(3,417,508)	(2,447,533)
Other cash payments		(329,203)	(248,047)
Cash flows from operating activities		18,819,806	14,938,745
Interest received		886,320	627,637
Interest paid	12	(3,867,054)	(4,242,093)
Net cash flows from operating activities		15,839,072	11,324,289
Cash flows from investing activities			
Purchase of property, plant and equipment		(997,298)	(383,324)
Purchase of debt instruments		(15,500,000)	(10,596,224)
Proceeds from the sale of debt instruments		15,500,000	10,596,224
Repayment of loans issued		-	1,600,000
Payment as part of cash-pooling program	9	(5,000,000)	-
Net cash flows (used in)/from investing activities		(5,997,298)	1,216,676
Cash flows from financing activities			
Proceeds from bonds issue	12	-	1,500,000
Repayment of principal on borrowings	12	(8,831,890)	(11,741,104)
Repayment of principal on lease		(25,523)	(16,167)
Dividends paid	11	(1,400,000)	-
Net cash flows used in financing activities		(10,257,413)	(10,257,271)
Net change in cash and cash equivalents		(415,639)	2,283,694
Cash and cash equivalents at the beginning of the period		3,464,104	1,197,118
Foreign exchange effect on cash and cash equivalents		-	(15,708)
Cash and cash equivalents at the end of the period	10	3,048,465	3,465,104

1 The Company and its Operations

These financial statements have been prepared in accordance with IFRS Accounting Standards for the year ended 31 December 2024 for Moynak HPP named after U.D. Kantayev JSC.

Corporate background

Moynak HPP named after U.D. Kantayev JSC (the “Company”, “Moynak HPP”) is the Joint Stock Company, as defined in the Civil Code of the Republic of Kazakhstan. The Company was created on 25 May 2005. The Company’s shareholders were the Samruk-Energy JSC (the “Samruk-Energy”) (51%) and AK Birlik JSC (49%). In June 2014, Samruk-Energy JSC acquired a 49% ownership interest in the Company from AK Birlik JSC. On 15 September 2022, the Board of Directors of Samruk-Energy JSC (Minutes No. 11/22) decided to establish a company within the jurisdiction of the Astana International Financial Center (the “AIFC”) – Qazaq Green Power PLC in the legal form of a “Public Company”. In November 2022, a decision was made to alienate 100% of the ownership of JSC Samruk Energy by the Company in favor of Qazaq Green Power PLC (the “Parent Company”, “QGP”). The sole shareholder of QGP is Samruk-Energy. The ultimate controlling party of Samruk-Energy is the Government of the Republic of Kazakhstan through JSC National Welfare Fund Samruk-Kazyna (hereinafter referred to as Samruk-Kazyna).

Principal activity

The Company’s principal activity is the operation of the hydropower station (the “HPP”) on the Charyn river. In December 2012, Moynak HPP was put into operation. Since then, the Company’s principal activity is the production of electricity for supply to the power system of the Southern Region of the Republic of Kazakhstan.

The Moynak HPP’s capacity is 300 MW – 2 hydro units with the capacity of 150 MW each. Since 2019, due to the introduction of power capacity market, the Company’s revenue from sales of electricity was divided into two main components – sales of electricity and provision of services on maintaining the readiness of power capacity.

Legal address and place of business

The Company’s legal address: Moynak village, building 81, Zhylysay village, Kegen district, Almaty region, Republic of Kazakhstan.

2 Material Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value. 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.

Going concern

Management prepared these financial statements on a going concern basis. Management bases this judgment on the Company’s financial position, current intentions, profitability of operations and access to financial resources, as well as on an analysis of the impact of recent changes in macroeconomic conditions on the Company’s future operations.

Management also believes that the Company will generate sufficient cash flows to ensure the recoverability of the carrying amount of property, plant and equipment and to allow timely and full repayment of loan and bond obligations.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. 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 3.

Functional and presentation currency

All amounts in these financial statements are presented in thousands of Kazakhstani Tenge (“Tenge”), unless otherwise stated.

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Tenge.

2 Material Accounting Policies (Continued)

Financial instruments

Cost is the amount of cash or cash equivalents paid, or the fair value of other consideration given to acquire the asset at the purchase date and includes transaction costs.

Financial instruments are reclassified only when the business model for managing the portfolio as a whole changes. The reclassification has a prospective effect and takes place from the beginning of the first reporting period that follows after the change in the business model. The Company did not change its business model during the current and comparative period and did not make any reclassifications.

(i) Financial assets

As at December 31, 2024, and December 31, 2023, the Company's financial assets were classified as measured at amortized cost.

Debt instruments measured at amortized cost are presented in the statement of financial position net of the allowance for expected credit losses.

The Company derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expire or (b) the Company has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement whilst (i) also transferring substantially all the risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all the risks and rewards of ownership but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

(ii) Financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled, or expires).

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, and change in loan covenants are also considered. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch-up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying amounts is attributed to a capital transaction with owners.

Financial liabilities are classified as subsequently measured at amortized cost.

Trade and other receivables

Trade and other receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined in accordance with IFRS 15 less an allowance for impairment, which is determined using an expected credit losses model.

Trade and other receivables, excluding prepayments of taxes and advances to suppliers, are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

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.

2 Material Accounting Policies (Continued)

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 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 amount of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year. Tax prepayments are recognized at the amounts actually paid less any allowance for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash in 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. 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.

The allowance for impairment of cash and cash equivalents is determined using the expected credit loss model.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction from proceeds, net of taxes. The decision of the Board of Directors of the Company for each individual issue of shares determines the cost of each share, as well as the number of shares in accordance with the law. The excess of the fair value of funds received over the par value of shares issued is recognized in equity as share premium.

Other reserves

Other reserve capital includes business combination reserve, result of transactions with shareholder and other comprehensive income/loss.

Other reserves also include gain on initial recognition of loans received from the shareholder with non-market terms.

Value added tax

Value-added tax ("VAT") related to sales is payable to the tax authorities when goods are shipped, or services are rendered. Input VAT can be offset against output VAT upon the receipt of a tax invoice from a supplier.

Tax legislation allows the settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases is stated in the statement of financial position on a net basis. Recoverable VAT is classified as non-current if its settlement is not expected within one year after the reporting period.

Trade and other payables

Trade and other accounts payable are accrued upon the fact that the counterparty fulfills its contractual obligations. Trade and other payables, other than advances received, are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Advances received are reflected at actual amounts received from third parties.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and provision for impairment, where required.

At the end of each reporting period management assesses whether there is any indication of impairment of property, plant, and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed (if needed) if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in profit or loss for the year.

2 Material Accounting Policies (Continued)

Depreciation

Land is not depreciated. 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, as follows:

	<u>Useful lives in years</u>
Buildings and constructions	8 – 100
Machinery and equipment	2 – 50
Other	3 – 20

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and are subsequently carried at AC using the effective interest method.

Borrowing costs for general and specific purposes that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a significant amount of time to prepare for its intended use or sale (qualifying assets) are included in the cost of that asset.

Provisions for liabilities and charges

Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount. They are accrued when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Obligations to pay statutory payments and fees, such as taxes other than income taxes and duties, are recognized upon the occurrence of an obligatory event giving rise to the obligation to pay such payments in accordance with the law, even if the calculation of such statutory payments is based on period data preceding the period when the obligation to pay them arises. If a mandatory payment is made before the obligatory event occurs, the prepayment must be recognized.

Revenue recognition

Revenue is the 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 net of value added taxes. All of the Company's revenue is recognized over time.

Sales of electricity

Revenue is determined based on the actual volumes of electricity sold by the Company's hydroelectric power station.

The amount of revenue is determined based on the tariffs approved by the authorized body.

Revenue from the sale of electricity is recognized based on the readings of commercial metering devices on a monthly basis. Metering devices are installed at the point of connection of the Company's station to the electricity transmission networks.

Accounts receivable are recognized when electricity is sold at the point of connection of the Company's station to the electricity transmission networks, since at this point the compensation is unconditional due to the fact that the onset of the payment period is determined only by the passage of time. The actual volume of electricity transmitted for the billing period is confirmed by the act on the volumes of electricity supplied. Invoices are issued to customers on a monthly basis.

2 Material Accounting Policies (Continued)

Sales of power capacity regulation services

The Company provides power capacity regulation services. Revenue from providing the services is recognised in the accounting period in which the services are rendered. Revenue is determined based on actual volumes of services received by the buyer based on monthly reports on power capacity regulation services from the system operator of the unified electric grid.

The contract provides for payment per one kWh of regulated capacity per month, and revenue is recognised in the amount to which the Company has a right to invoice. Customers are invoiced on a monthly basis based on the report signed for the reporting month.

Sales of services on maintaining the readiness of power capacity

The Company also provides services on maintaining the readiness of power capacity. Revenue from providing the services on maintaining the readiness of power capacity is recognised in the accounting period in which the services are rendered. Revenue is determined based on actual volumes of capacity maintained based on monthly reports on readiness of power capacity from the Single buyer, according to the available power capacity Market Rules.

The contract provides for payment per one MWh of maintained available capacity per month, and revenue is recognised in the amount to which the Company has a right to invoice.

The Single buyer is invoiced on a monthly basis based on the report signed for the reporting month.

Finance income and expense

Finance income and expense are recorded for all debt instruments on an accrual basis using the effective interest method. This method defers, as part of interest income, all fee received between the parties to the contract that are an integral part of the effective interest rate, all other premiums or discounts.

Employee benefits

Labour costs, social insurance fund deductions, annual paid vacations and sick leaves, premiums and non-monitory benefits are accrued and withheld no as relevant works are performed by the Company employees. According to the requirements of the legislation of the Republic of Kazakhstan, on behalf of its employees the Company withholds such pension contributions and transfers them to the accumulation pension fund. Upon retirement, the financial obligations of the Company cease, and all payments are made by the accumulation pension fund.

Income tax

Income taxes have been provided for in these financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period.

Taxable profits or losses are based on estimates if the financial statements are authorized before the relevant tax returns are filed. Taxes other than income taxes are recorded as operating expenses.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2 Material Accounting Policies (Continued)

The Company's uncertain tax positions are assessed by management at the end of each reporting period. Liabilities recorded for income tax positions are recorded when management believes that it is more probable than not that additional tax liabilities will arise if the Company's tax position is challenged by tax authorities. This assessment is made based on the interpretation of tax laws in effect at the end of the reporting period, as well as any known court rulings or other decisions on similar issues. Liabilities for fines, penalties and taxes, other than income taxes, are recorded based on management's best estimate of the costs required to settle the liability at the end of the reporting period.

3 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:

The impact of changes in legislation regulating tariff policy and electricity market issues on the Company's results

Since 1 January 2019, due to the introduction of power capacity market, revenue from sales of the Company's electricity is divided into two main components – sales of electricity and provision of services on maintaining the readiness of power capacity.

During 2019, the Company raised issues before the Ministry of Energy of the Republic of Kazakhstan regarding the need in legislative amendments in order to obtain an individual tariff that would allow repayment of the borrowings attracted for construction of the hydro-power station in full and on time and ensure that the carrying amount of property, plant and equipment is recoverable.

On 16 October 2019, the Individual Investment Agreement for Commissioned Power Station was signed between the Company and Ministry of Energy of the Republic of Kazakhstan. In accordance therewith, the individual tariff for service for maintenance of the readiness of electric capacity was set in the amount that would ensure appropriate cash flows for repayment of principal amounts of the outstanding borrowings, specifically: for 2020-2025 – Tenge 2,563.67 thousand/MW per month, for 2026 – Tenge 1,887.82 thousand/MW per month. Furthermore, on 18 November 2019 the Company entered into the purchase agreement with the Settlement and Financial Center for Support of Renewable Energy Sources LLP (the "RFC") for the service for maintenance of the readiness of electric capacity for 2020. On 23 December 2021, the Company signed Addendum No. 2, that extended the contract term until 31 December 2026.

In accordance with the Law of the Republic of Kazakhstan "On Supporting the Use of RES," during the first half of 2023, a premium was applied to support the use of RES based on the costs of supporting RES and the volume of electricity supplied by EPOs, which are conditional consumers. From January 1, 2023 to May 31, 2023, the selling tariff for electricity was 13.68 tenge per 1 kWh. On May 26, 2023, by Order of the Ministry of Energy of the Republic of Kazakhstan (No. 192), the maximum tariff for electricity production was approved in the amount of Tenge 12.77 per 1 kWh, effective from June 1, 2023. The selling tariff for electricity, taking into account the RES surcharge, from June 1 to June 30, 2023 was Tenge 14.74 per 1 kWh. According to the agreement dated August 1, 2023 on the termination of the contract for the sale by the Settlement and Financial Center to conditional consumers of electrical energy produced by facilities using renewable energy sources to agreement No. DU-08-01/37 dated December 20, 2022, the allowance for supporting renewable energy sources was excluded. The selling tariff for electricity from July 1, 2023 to 2025 is equal to the level of the approved marginal tariff in the amount of Tenge 12.77 per 1 kWh.

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

From 1 July 2023, a new model of power market was introduced with the implementation of a Single Power Purchaser, Settlement and Financial Center for Support of Renewable Energy Sources LLP ("RFC") and a real time balancing electricity market ("BEM"). The Company conducted an analysis to assess the impact of changes on the revenue recognition process in accordance with IFRS 15 "Revenue from Contracts with Customers". The model of the electricity sales market, which came into force on July 1, 2023, and which was effective during the reporting period did not have a significant impact on the process of recognizing revenue from the sale of electricity.

Cash-Pooling Operations

In accordance with the Rules for the organization of the Cash-Pooling mechanism in the group of companies of JSC Samruk-Energy, it is possible to provide intercompany financial aid and intercompany loans between JSC Samruk-Energy and the Company by concluding agreements on opening a reversible line of financial aid, as well as a reversible credit line.

The Cash Pooling mechanism involves the actual movement of funds between the current accounts of the pool participants (some subsidiaries of JSC Samruk-Energy, including the Company), opened in the bank, and the Master Account of JSC Samruk-Energy, where the consolidation of funds of the pool participants is carried out.

Samruk-Energy has a reversible credit line limit with the Company of 5,000,000 thousand tenge, the term of provision is 12 months, automatically extended for each subsequent calendar year, respectively, the interest rate is the base rate of the National Bank of the Republic of Kazakhstan + 1% per annum.

Also, Samruk-Energy has a limit of the reverse line of financial aid with the Company of 5,000,000 thousand tenge, the term of providing financial aid is not exceeding 1 (one) year, with the possibility of extension up to 1 (one) year from the date of expiration of the line by agreement of the parties by signing an additional agreement, the remuneration rate is 0.01% per annum.

The financial aid provided under this mechanism leaves the Company with the right to demand the return of the financial aid provided as necessary from the Samruk-Energy master account to the Company's current (participating) account in JSC Halyk Bank of Kazakhstan. In this regard, the Company's Management believes that accounting for these other short-term financial assets at nominal value is appropriate (Note 9).

Provisions for asset retirement obligations

In accordance with the legislation of the Republic of Kazakhstan, the Company's management applied the judgment that the service life of the main hydraulic structures, as structures of classes I and II, in conditions of timely major repairs is 60 years. After the expiration of the service life of the main building of the hydroelectric power station, the diversion tunnel and the dam, in accordance with the standards of the "Methodological recommendations on the procedure for extending the safe operation period of technical devices, equipment and structures at hazardous industrial facilities", it is assumed that these structures will continue to be used as a hydrological post and mudflow dams during the flood period on the Charyn River. At the same time, in the opinion of the power station's Management, the Company's liquidation work may be limited to work on dismantling the equipment of the hydroelectric units and some ground-based utility structures, and the reserve for their coverage is not significant as of the reporting date.

4 Adoption of New or Revised Standards and Interpretations

The following amended standards became effective from 1 January 2024, but did not have any material impact on the Company:

- 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).

5 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2025 or later, and which the Group has not early adopted.

- 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).

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

6 Balances and Transactions with Related Parties

Related parties are defined in IAS 24 Related Party Disclosures. 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. The Company's parent entity and ultimate controlling party are disclosed in Note 1.

Related parties include entities under control of Samruk-Kazyna. The government has the ultimate control over the Company. Transactions with government entities are not disclosed if they are carried out in the ordinary course of business under conditions that are consistently applied to all public and private entities i) when they are not individually significant; ii) when the Company's services are provided on standard terms available to all customers; or iii) when there is no choice of supplier of such services as electricity transmission services, telecommunications services, etc.

The Company purchases from and sells services to a large number of government-related entities. Such purchases and sales are generally entered into on an arm's length basis. Transactions with the government also include taxes which are disclosed in Note 18.

As part of organizations under state control, balances and transactions with "Development Bank of Kazakhstan" JSC, "Financial Settlement Center for Support of Renewable Sources" LLP, and "KOREM" JSC were disclosed.

The nature of relationships with those related parties with whom the Company carried out significant transactions or has significant settlement account balances as at December 31, 2024 and 2023, are presented below.

Balances and Transactions with Related Parties (Continued)

The outstanding balances with related parties as at 31 December 2024 are presented below.

<i>In thousands of Kazakhstani Tenge</i>	Note	Samruk-Energy JSC and entities under common control and joint ventures of Samruk-Energy JSC	Entities under common control and joint ventures of Samruk-Kazyna JSC, except Samruk-Energy JSC	Other state-controlled companies/entities
Gross amount of trade and other receivables		-	159,331	3,629,883
Other short-term financial assets	9	5,000,296	-	-
Trade and other payables		(14,703)	(33,404)	-
Borrowings	12	(12,074,750)	-	(5,484,527)

The outstanding balances with related parties as at 31 December 2023 are presented below.

<i>In thousands of Kazakhstani Tenge</i>	Note	Samruk-Energy JSC and entities under common control and joint ventures of Samruk-Energy JSC	Entities under common control and joint ventures of Samruk-Kazyna JSC, except Samruk-Energy JSC	Other state-controlled companies/entities
Gross amount of trade and other receivables		873,060	77,866	2,602,705
Other short-term financial assets		-	-	-
Trade and other payables		(11,144)	(30,829)	(17,820)
Borrowings	12	(19,624,989)	-	(6,865,628)

The income and expenses items on transactions with related parties for the year ended 31 December 2024 are presented below.

<i>In thousands of Kazakhstani Tenge</i>	Samruk-Energy JSC and entities under common control and joint ventures of Samruk-Energy JSC	Entities under common control and joint ventures of Samruk-Kazyna JSC, except Samruk-Energy JSC	Key management personnel	Other state-controlled companies/entities
Revenue from contracts with customers	-	349,985	-	25,418,270
Cost of sales	(89,428)	(465,674)	(87,062)	(110,769)
General and administrative expenses	-	(115,940)	(27,229)	(140)
Finance income	296	476,646	-	-
Finance costs	(3,255,717)	(42,546)	-	(548,562)

The income and expenses items on transactions with related parties for the year ended 31 December 2023 are presented below.

<i>In thousands of Kazakhstani Tenge</i>	Samruk-Energy JSC and entities under common control and joint ventures of Samruk-Energy JSC	Entities under common control and joint ventures of Samruk-Kazyna JSC, except Samruk-Energy JSC	Key management personnel	Other state-controlled companies/entities
Revenue from contracts with customers	1,003,217	1,431,953	-	15,439,165
Cost of sales	(72,935)	(365,143)	(31,370)	(898,542)
General and administrative expenses	-	(22,413)	(50,239)	-
Finance income	170,252	-	-	190,319
Finance costs	(3,446,720)	(43,845)	-	(825,777)

6 Balances and Transactions with Related Parties (Continued)

Samruk-Energy JSC and entities under common control and joint ventures of Samruk-Energy JSC

Finance costs mainly include interest on coupon bonds of Samruk-Energy JSC accrued during 2024 and 2023, respectively.

Other state-controlled companies/entities

Revenue and cost of sales include transactions with "Settlement and Financial Center for Support of Renewable Energy Sources" LLP and "KOREM" JSC (except for companies (pairs) related to companies under common control and joint ventures, except for "Samruk-Energy" JSC).

Finance costs mainly include interest on loans from Development Bank of Kazakhstan JSC accrued during the years 2024 and 2023, respectively.

Key management personnel compensation represents salaries, bonus for the year and other short-term employee benefits. Key management personnel as at 31 December 2024 includes 5 persons (2023: 5 persons). The amount due to key management personnel as at 31 December 2024 was Tenge 58,413 thousand, and 65,456 thousand as at 31 December 2023.

As at 31 December 2024, the Company received the following guarantees from related parties:

- Guarantee of JSC Samruk-Energy in the amount of Tenge 1,079,213 thousand dated 13 December 2012;
- Guarantee of JSC National Welfare Fund Samruk-Kazyna in the amount of Tenge 12,285,000 thousand dated 1 July 2011;
- Guarantee of JSC Samruk-Energy in the amount of Tenge 4,545,554 thousand dated 28 November 2019.

7 Property, Plant and Equipment

<i>In thousands of Kazakhstani Tenge</i>	Buildings and cons- tructions	Machinery and equipment	Vehicles	Right-of-use assets	Other	Construc- tion in progress	Total
Cost as at 1 January 2023	32,396,889	15,546,242	485,246	187,372	121,706	632,905	49,370,360
Accumulated depreciation	(5,588,897)	(7,927,971)	(284,470)	(97,093)	(97,305)	-	(13,995,736)
Carrying amount as at 1 January 2023	26,807,992	7,618,271	200,776	90,279	24,401	632,905	35,374,624
Additions	-	427	53,666	-	18,900	463,013	536,006
Disposals	-	(131)	-	-	(62)	(127,895)	(128,088)
Transfers	290,010	(9,698)	9,698	-	-	(290,010)	-
Depreciation	(597,134)	(789,902)	(52,768)	(24,145)	(10,745)	-	(1,474,694)
Cost as at 31 December 2023	32,686,899	15,536,840	548,610	187,372	140,544	678,013	49,778,278
Accumulated depreciation	(6,186,031)	(8,717,873)	(337,238)	(121,238)	(108,050)	-	(15,470,430)
Carrying amount as at 31 December 2023	26,500,868	6,818,967	211,372	66,134	32,494	678,013	34,307,848
Additions	-	139,461	200,148	25,494	130,129	771,898	1,267,130
Disposals	(1,605)	(5,388)	(81,151)	-	(724)	-	(88,868)
Transfers	163,918	41,781	11,000	-	8,210	(224,909)	-
Depreciation	(603,750)	(782,343)	(58,898)	(34,805)	(15,835)	-	(1,495,631)
Depreciation on disposals	1,605	5,386	77,646	-	714	-	85,351
Cost at 31 December 2024	32,849,212	15,712,694	678,607	212,866	278,159	1,225,002	50,956,540
Accumulated depreciation	(6,788,176)	(9,494,830)	(318,490)	(156,043)	(123,171)	-	(16,880,710)
Carrying amount as at 31 December 2024	26,061,036	6,217,864	360,117	56,823	154,988	1,225,002	34,075,830

7 Property, Plant and Equipment (Continued)

Construction in progress consists mainly of the following construction services and property, plant and equipment:

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Feasibility study, additional works on filtration elimination (reduction) of the left and right coasts of the Bestyubinsk Reservoir dam	841,291	359,940
Main constructions and auxiliary facilities	383,711	318,073
Total construction in progress	1,225,002	678,013

Depreciation of property, plant and equipment is comprised of the following expenses:

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Cost of sales	1,453,047	1,440,888
General and administrative expenses	42,466	33,496
Other expenses	118	310
Total depreciation of property, plant, and equipment	1,495,631	1,474,694

8 Trade and Other Receivables

<i>In thousands of Kazakhstani Tenge</i>	31 December 2024	31 December 2023
Receivables from sales of electricity, services on maintaining the readiness of power capacity and power capacity regulation services	3,914,594	3,659,684
Less: expected credit losses	(120,647)	(5,127)
Total financial assets within trades and other receivables	3,793,947	3,654,557
Advances to suppliers for goods and services	17,676	46,726
Other receivables	55,621	37,924
Total trade and other receivables	3,867,244	3,739,207

As at December 31, 2024, and December 31, 2023, all of the Company's accounts receivable are denominated in Kazakhstani Tenge.

9 Other short-term financial assets

<i>In thousands of Kazakhstani Tenge</i>	31 December 2024	31 December 2023
Financial aid, provided to Samruk-Energy (Note 3)	5,000,296	-
Total other short-term financial assets	5,000,296	-

As at December 31, 2024, and December 31, 2023, all of the Company's other short-term financial assets are denominated in Kazakhstani Tenge.

10 Cash and Cash Equivalents

<i>In thousands of Kazakhstani Tenge</i>	31 December 2024	31 December 2023
Cash at current bank accounts	3,048,764	220,467
Repurchase and reverse repurchase agreements ("reverse repo") with an original maturity of up to three months	-	3,244,665
Less: credit loss allowance	(299)	(28)
Total cash and cash equivalents	3,048,465	3,465,104

As at December 31, 2024, and December 31, 2023, all of the Company's cash and cash equivalents are denominated in Kazakhstani Tenge.

11 Share Capital

	31 December 2024	31 December 2023
Number of authorised and issued shares	460,200	460,200
Value of 1 share, in Tenge	10,000	10,000
Total share capital, in thousands of Tenge	4,602,000	4,602,000

All issued ordinary shares are fully paid.

On 30 April 2024, the Board of Directors of QGP decided to declare dividends to the parent company in the amount of 1,400,000 thousand tenge (2023: no dividends were declared). On 27 June 2024, the Company paid the declared dividends in full.

12 Borrowings

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2024	31 December 2023
<i>Long-term portion</i>			
Samruk-Energy – bonds	6	4,500,000	12,000,000
Development Bank of Kazakhstan	6	3,935,664	5,258,836
Total borrowings – long-term portion		8,435,664	17,258,836
<i>Short-term portion</i>			
Samruk-Energy – bonds	6	7,574,750	7,624,989
Development Bank of Kazakhstan	6	1,548,863	1,606,792
Total borrowings – short-term portion		9,123,613	9,231,781
Total borrowings		17,559,277	26,490,617

Samruk-Energy JSC

Bonds. Within the first bond programme, on 18 June 2019 the Company issued and placed 47,000,000 coupon bonds at the nominal amount of Tenge 1,000 with a 11% p.a interest rate. The bonds were issued for the purposes of refinancing of the loan from the State Bank of China. The maturity of the bonds is 7 years. The bonds were issued with no collateral at Astana International Exchange and purchased by Samruk-Energy. During 2023, the Company resold redeemed coupon bonds in the amount of 1,500,000 units at a par value of Tenge 1,000 in accordance with the approved terms of the bonds issue. The interest rate on the bonds was revised from 11% to a floating rate, which is calculated using the formula "Base Rate of the National Bank of the Republic of Kazakhstan + Margin 2%". The funds received from the repeated sale of bonds were used to fully repay the foreign currency loan obtained from Development Bank of Kazakhstan JSC. From 2020 and as of December 31, 2024, the Company repurchased bonds in the total amount of Tenge 36,500,000 thousand.

12 Borrowings (Continued)

Development Bank of Kazakhstan JSC

On 14 December 2005 and 16 January 2008, the Company received a loan in the form of two tranches from Development Bank of Kazakhstan JSC, a related party, in the amount of USD 25,000 thousand and USD 26,058 thousand with the interest rates of 1.15*6MLIBOR+1.15% and 8% per annum, respectively. The loans were granted for the period of 20 years. On 6 December 2012, the Company signed the Supplementary Agreement for changing the second tranche interest rate from 8% to 7.55%, relating to the amount of USD 1,563 thousand for subsequent loans. During 2023, the foreign currency loan, the first tranche, including the principal and interest, was repaid in full and ahead of schedule.

On 28 November 2019, the Company entered into an addendum to change the currency of the second tranche of the loan from US Dollars to Tenge with the interest rate change to 10.72%.

On 17 June 2011, the Company signed the contract with the Development Bank of Kazakhstan JSC for the provision of the third tranche in the amount of Tenge 12,285,000 thousand at the interest rate of 12% per annum. The loan is granted for the period of 17 years. On 6 December 2012, the Company signed the Supplementary Agreement for changing the third tranche interest rate from 12% to 7.55%, relating to the amount of Tenge 8,924,392 thousand of loans after that date.

During 2024, the amounts of payments on loans from the Development Bank of Kazakhstan JSC was Tenge 1,938,381 thousand (2023: Tenge 5,660,617 thousand).

As of December 31, 2024, and December 31, 2023, all the Company's loans and bonds are denominated in tenge.

The carrying amounts and fair values of the borrowings are presented below:

<i>In thousands of Kazakhstani Tenge</i>	Carrying amount		Fair value	
	2024	2023	2024	2023
Samruk-Energy (bonds)	12,074,750	19,624,989	12,074,750	19,624,989
Development Bank of Kazakhstan	5,484,527	6,865,628	4,913,189	5,971,537
Total borrowings	17,559,277	26,490,617	16,987,939	25,596,526

Reconciliation of borrowings

The table below sets out an analysis of borrowings and the movements in the Company's borrowings from financing activities for each of the periods presented. The items of these liabilities are those that are reported under financing activities in the statement of cash flows, except for interest payment, which is reported under operating activities:

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Borrowings as at 1 January	26,490,617	36,827,406
Proceeds from bonds issue	-	1,500,000
Repayment of principal on borrowings	(8,831,890)	(11,741,104)
Interest accrual	3,758,885	4,161,991
Interest paid	(3,867,054)	(4,242,093)
Foreign exchange adjustments	-	(56,228)
Other non-cash movements	8,719	40,645
Borrowings as at 31 December	17,559,277	26,490,617

13 Trade and Other Payables

<i>In thousands of Kazakhstani Tenge</i>	31 December 2024	31 December 2023
Trade payables	900,354	393,112
Other payables	48,702	35,530
Total financial trade payables	949,056	428,642
Other payables		
Tax liabilities	591,120	566,216
Accrued vacation liabilities	32,853	27,542
Short-term estimated liabilities	8,005	11,583
Advances received	593	3,014
Other payables	117,186	78,074
Total trade and other payables	1,698,813	1,115,071

14 Revenue from Contracts with Customers

Analysis of revenue by sales streams:

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Revenue from electricity sales	16,659,755	12,445,096
Revenue from services on maintaining the readiness of power capacity	8,877,220	8,992,073
Revenue from power capacity regulation services	231,281	283,065
Total revenue from contracts with customers	25,768,256	21,720,234

All revenue is recognized over time. From July 1, 2023, in accordance with the Law of the Republic of Kazakhstan, “On introducing changes and additions to some legislative acts of the Republic of Kazakhstan on administrative reform in the Republic of Kazakhstan dated April 19, 2023, Art. 401 of the Civil Code of the Republic of Kazakhstan, the model for the sale of electricity was changed - a “Balancing Electricity Market” (“BEM”) was introduced; entities of the balancing electricity market, regardless of the form of ownership, are obliged to sell to the RFC the hourly negative imbalances they have allowed at prices and in the manner determined in accordance with paragraph 5 of Article 15–10 of the Law of the Republic of Kazakhstan and the BEM Rules. The new model of the electricity sales market, which came into force from July 1, 2023, and was effective during the reporting period did not have a significant impact on the process of electricity sales revenue recognition.

The selling tariff for electricity during the reporting period is Tenge 12.77 per kWh. without VAT. The tariff for the service for maintaining the readiness of electric power is established in the Individual Investment Agreement dated October 16, 2019, signed between the Company and the Ministry of Energy of the Republic of Kazakhstan, is Tenge 2,563.67 thousand/MW per month for 2020 - 2025 and Tenge 1,887.82 (excluding VAT) thousand/ MW per month for the year 2026.

The operating segment within which the Company operates is production of electric energy. All sales are carried out in the Republic of Kazakhstan.

15 Cost of Sales

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Depreciation of property, plant, and equipment	1,453,047	1,440,888
Salary expense, including provisions for vacations and other employee benefits	1,052,345	739,395
Technical dispatching services for supply of electricity	474,579	367,319
Taxes (property tax)	393,827	401,815
Security services	138,397	129,719
Purchased electricity from RES	110,639	856,788
Repair and maintenance	90,072	46,676
Materials	88,101	89,744
Licenses, permits, duties, payments, etc.	80,351	62,286
Fuel	45,318	89,758
Insurance	19,725	19,844
Other expenses	423,457	205,873
Total cost of sales	4,369,858	4,450,105

16 General and Administrative Expenses

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Salary expense, including provisions for vacations and other employee benefits	320,215	235,735
Sponsorship help	100,000	-
Consulting and other professional services	77,696	81,259
Depreciation of property, plant, and equipment	42,466	33,496
Materials	19,154	17,476
Other	59,313	29,404
Total general and administrative expenses	618,844	397,370

In April 2024, due to floods in the regions of the country, the Company provided sponsorship help to those affected by the floods in the amount of 100,000 thousand tenge through the single charity operator of the Samruk-Kazyna group of companies - Social Development Foundation "Samruk-Kazyna Trust".

The remuneration paid to the Company's auditor for the audit of the financial statements for the year ended 31 December 2024 amounted to Tenge 16,565 thousand (2023: Tenge 11,583 thousand).

17 Finance Income and Costs

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Interest income	887,147	642,083
Unwinding of discount on loans issued	19,539	173,960
Net foreign exchange gains from borrowings	-	56,228
Total finance income	906,686	872,271
Interest expenses	3,758,885	4,161,991
Other finance costs	139,974	229,264
Total finance costs	3,898,859	4,391,255

18 Taxes

Income tax expense

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Current income tax expense	3,554,241	2,569,711
Deferred income tax expense	6,263	6,577
Income tax expense for the year	3,560,504	2,576,288

A reconciliation between the expected and the actual taxation charge is provided below:

<i>In thousands of Kazakhstani Tenge</i>	2024	2023
Profit before tax	17,675,064	13,314,143
Theoretical tax charge at statutory rate of 20% (2023: 20%)	3,535,013	2,662,829
Other non-deductible/(non-taxable) differences	25,491	(86,541)
Total income tax expense	3,560,504	2,576,288

Differences between IFRS Accounting Standards and tax legislation of the Republic of Kazakhstan give rise to temporary differences between the carrying amount of assets and liabilities in accounting and their tax bases. The tax effect of the movements in these temporary differences is detailed below and is recorded at tax rates, the application of which is expected in the period of temporary differences recovery.

Tax losses accrued by the Company in the period of exemption from the payment of corporate income tax (for 10 years) are not subject to recovery after the expiry of this term. Accordingly, tax assets have not been recognised for losses carried forward from previous tax periods.

Under investment agreement No. 0622-12-2005 dated 31 December 2005, the Company had preferences associated with exemption from corporate income tax. The effect of the preference extends to the corresponding year of commissioning of construction objects by the State Acceptance Commission conducted on 13 December 2012. The preference with exemption from corporate income tax lasted for 10 tax periods.

In accordance with paragraph 2-1 of Article 120 of the Code of the Republic of Kazakhstan “Concerning Taxes and other Mandatory Payments to Budget” (the “Tax Code”), the Company shall apply in its tax accounting the ceiling depreciation rates for determining depreciation deductions on fixed assets commissioned within the investment project under contracts with the provision of exemption from corporate income tax, signed before 1 January 2009 pursuant to the investment legislation of the Republic of Kazakhstan. The applied depreciation norms in accounting differ from tax accounting norms. Thus, temporary differences arise, the recovery of which will occur after the end of the investment contract. The Company recognizes the deferred tax liability related to such temporary differences.

<i>In thousands of Kazakhstani Tenge</i>	1 January 2023	Charged to profit or loss	31 December 2023	Charged to profit or loss	31 December 2024
Tax effect of deductible temporary differences					
Property, plant and equipment	4,365,253	6,577	4,371,830	6,263	4,378,093
Gross deferred income tax liability	4,365,253	6,577	4,371,830	6,263	4,378,093
Recognized deferred income tax liability	4,365,253	6,577	4,371,830	6,263	4,378,093

19 Contingencies and Commitments

Operating environment

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. Kazakhstan is also heavily reliant on the Caspian Pipeline Consortium (CPC), which carries up to 80% of its oil exports.

Inflation was relatively stable throughout 2024 and moderated to 8.6% in December 2024 compared to 9.8% in December 2023. During 2024 the economy growth slowed to 3.8% compared to 5.1% in 2023. As at the date of issuing these {consolidated} financial statements the official exchange rate of the National Bank of the Republic Kazakhstan was Tenge 501.28 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).

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. Additionally, the electric power in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. Uncertainty remains in relation to the exchange rate of Tenge and commodity prices.

The economic environment has a significant impact on the Company's operations and financial position. Management believes it is taking appropriate measures to support the sustainability and growth of the Company's business in the current circumstances. The long-term effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from the actual results. 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.

Tax contingencies

The tax environment in the Republic of Kazakhstan is subject to change and inconsistent application and interpretations. Non-compliance with Kazakhstani law and regulations as interpreted by the Company and the Kazakhstani authorities may lead to the assessment of additional taxes, penalties and interest.

Kazakhstani tax legislation and practice are in a state of continuous development, and therefore is subject to varying interpretations and frequent changes, which may be retroactive. In some cases, to identify tax base tax legislation refers to IFRS Accounting Standards, however interpretation of IFRS Accounting Standards provisions by the Kazakhstani tax authorities may differ from accounting policies, judgments and estimates used by management for preparation of these financial statements, and this may result in additional tax liabilities for the Company. Tax periods remain open to retroactive review by the Kazakhstan tax authorities for five years.

The Company's management believes that its interpretation of the relevant legislation is appropriate, and the Company's tax positions will be sustained.

Environmental matters

Environmental protection legislation in the Republic of Kazakhstan is in its infancy, and the position of the state authorities of the Republic of Kazakhstan regarding ensuring its compliance is constantly changing. The Company periodically assesses its obligations related to its environmental impact. As liabilities are identified, they are recorded immediately.

Potential liabilities that may arise as a result of changes to existing regulations, civil action or legislation are not estimable but could be significant. However, based on its 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 condition.

Management estimates that the requirements of the new Environmental Code have not resulted in additional material liabilities requiring recognition in addition to those recognized in the financial statements.

Capital expenditure commitments

As of December 31, 2024, and December 31, 2023, the Company has no contractual commitments to acquire property, plant and equipment and capital services.

19 Contingencies and Commitments (Continued)

Covenants

The Company has certain covenants regarding bank borrowings. Failure to comply with these covenants could lead to negative consequences for the Company, including increased borrowing costs and default. Based on the results of 2024 and 2023, the Company complied with its borrowing covenants.

20 Financial Risk Management

The risk management function within the Company is carried out with respect to financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The primary function of financial risk management is to establish risk limits and to ensure that any exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure the proper functioning of internal policies and procedures in order to minimise operational and legal risks

Credit risk

The Company exposes itself 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 meet an obligation.

The Company is exposed to concentrations of credit risk primarily in relation to financial receivables, other financial assets, and cash and cash equivalents. Financial receivables are mainly represented by the debt of LLP "Settlement and Financial Center for Support of Renewable Energy Sources". All other short-term financial assets are represented by the debt of Samruk-Energy to the Company. 86% of the Company's cash and cash equivalents are in Eurasian Bank JSC.

Exposure to credit risk arises as a result of the Company's lending and other transactions with counterparties, giving rise to financial assets. The Company's maximum exposure to credit risk is reflected in the carrying amounts of financial assets in the statement of financial position.

In 2024, the Company sold services to maintain the readiness of electric capacity, and power capacity regulation services to the following major customers: "Settlement and Financial Center for Support of Renewable Energy Sources" LLP, "KEGOC", and buyers on the BEM.

Credit risk management

Management carefully manages its exposure to credit risk.

The estimation of credit risk for risk management purposes is complex and involves the use of models, as the risk varies depending on market conditions, expected cash flows and the passage of time. The assessment of credit risk for a portfolio of assets entails further estimations of the likelihood of defaults occurring, the associated loss ratios and default correlations between counterparties.

Credit risk classification system

For measuring credit risk and grading financial instruments by the amount of credit risk, the Company applies risk grades measured by external international rating agencies (Standard & Poor's, Fitch, Moody's), when available. These ratings are publicly available.

For financial instruments without a credit rating (receivables), credit risk is assessed based on the number of delayed payment days for each customer. Due to the specifics of the Company's activities, the Company obtains new customers very rarely. Potential new customers undergo a careful analysis of their financial position before establishing business relations with the Company.

20 Financial Risk Management (Continued)

The table below shows credit ratings (if available) at the end of the relevant reporting period for the counterparties with available risk ratings. Financial receivables relate to debtors without a credit rating.

<i>In thousands of Kazakhstani Tenge</i>	Note	Rating (S&P/Moody's/ Fitch)	31 December 2024	31 December 2023
Financial trade receivables	8	N/A	3,793,947	3,654,557
Total financial trade receivables			3,793,947	3,654,557
<i>Other investments</i>				
First Heartland Jysan Bank JSC		Ba2	209,762	187,330
Total other investments			209,762	187,330
Financial aid, provided to Samruk-Energy	9	BB+	5,000,296	-
Total other short-term financial assets			5,000,296	-
<i>Cash and cash equivalents</i>	10			
Eurasian Bank JSC		Ba1	2,624,737	219,667
Halyk Bank JSC		BBB-	223,748	272
Bank RBK JSC		Ba1	199,980	-
Freedom Finance JSC		B+	-	500
Repo secured by government securities		BBB	-	3,244,665
Total cash and cash equivalents			3,048,465	3,465,104
Total maximum exposure to credit risk			12,052,470	7,309,748

The table below shows the outstanding debt of major consumers as of the end of the relevant reporting period:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2024	31 December 2023
"Settlement and Financial Center for Support of Renewable Energy Sources" LLP	2,374,901	2,345,681
Buyers on the BEM	1,427,129	257,024
"AlmatyEnergoSbyt" LLP	53,592	873,060
Others	58,972	183,919
Total gross receivables from sales of electricity, services on maintaining the readiness of power capacity and power capacity regulation services	3,914,594	3,659,684

As of the reporting date, the trade receivables from AlmatyEnergoSbyt LLC were fully impaired.

20 Financial Risk Management (Continued)

Calculation of impairment losses on trade receivables

The Company applies a provision matrix to calculate expected credit losses. To measure expected credit losses, trade receivables were classified based on the general features of credit risk and past due days.

The probability of recovery of receivables is estimated in line with historical data, since the balance comprises a group of dispersed items, which are grouped based on the similarity of credit risk and past customer behaviour.

Market risk

The Company takes on exposure to market risks. Market risks arise from open positions in interest-bearing liabilities, which are exposed to general and specific market movements. Sensitivity to market risk presented below is based on a change in one factor, while all other variable characteristics remain unchanged.

Currency risk

As of December 31, 2024, and December 31, 2023, the Company does not have borrowings denominated in foreign currencies and is therefore not exposed to currency exchange rate risk.

Interest rate risk

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken.

If interest rates had been 200 basis points higher/lower (2023: 200 basis points higher/lower), with all other variables held constant, profit for the year would have been Tenge 361,833 thousand (2023: Tenge 176,333 thousand) lower/higher as a result of higher/lower interest expense on floating interest rate liabilities.

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 for settlements on financial instruments, settlements on which are made in cash. The Company seeks to maintain a stable funding base primarily consisting of borrowings, trade and other payables.

The Board of Directors has overall responsibility for liquidity risk management. It controls short-term, medium- and long-term financing, as well as the requirements for managing the Company's liquidity. The Company manages liquidity risk by maintaining sufficient reserves, bank funds and external borrowings, constantly monitoring projected and actual cash flows, and agreeing on the maturity of financial assets and liabilities.

20 Financial Risk Management (Continued)

The table below shows liabilities at reporting date by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows, including gross loan commitments. Such undiscounted cash flows differ from the amount included in the statement of financial position because the statement of financial position amount is based on discounted cash flows. 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. Since the effect of discounting is immaterial, the amounts of outstanding debt that are due within 12 months are equal to their carrying amount.

<i>In thousands of Kazakhstani Tenge</i>	On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years
At 31 December 2024					
Borrowings	558,014	360,214	10,458,641	9,551,883	-
Financial trade payables	768,377	180,679	-	-	-
Lease liabilities	3,179	6,358	28,612	26,140	172,709
Total financial liabilities	1,329,570	547,251	10,487,253	9,578,023	172,709
At 31 December 2023					
Borrowings	632,751	387,887	11,913,518	21,002,229	-
Financial trade payables	-	366,058	62,584	-	-
Lease liabilities	3,047	6,095	27,427	54,320	182,679
Total financial liabilities	635,798	760,040	12,003,529	21,056,549	182,679

21 Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The Company considers that the total capital under management is equal to the capital recognized in the statement of financial position.

The Company's management believes that the current level of borrowed capital does not pose a risk to the Company's activities. The Company plans to use future payment receipts from the sale of electricity and from the provision of services to maintain electrical capacity to repay loans and gradually equalize the ratio of equity and debt capital to a level comparable to other companies in the industry.

22 Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is the price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

All financial instruments of the Company are carried at amortised cost. Their fair value at level 2 of the fair value hierarchy was estimated using the discounted cash flows valuation technique.

Financial assets carried at amortised cost

The estimated fair value of fixed rate instruments is based on discounting the amount of expected future cash flows using prevailing interest rates for new instruments with similar credit risk and maturity. The discount rate used depends on the credit risk of the counterparty. The carrying amount of the Company's financial assets approximates their fair value.

Liabilities carried at amortised cost

The estimated fair value of fixed interest rate instruments with stated maturities were estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risks and remaining maturities. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date on which the amount could be required to be paid. The discount rates used depend on the length of the liability. Due to the short-term maturity, the carrying amount of short-term financial payables approximates their fair value. Fair value of loans and borrowings is disclosed in Note 12.