



SAMRUK-ENERGY JSC

**Condensed Consolidated Interim Financial Statements
(unaudited)**

30 September 2024

Contents

REPORT ON REVIEW

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Financial Position (unaudited)

| <i>In thousands of Kazakhstani Tenge</i> | Note | 30 September 2024 (unaudited) | 31 December 2023 (restated)* | 31 December 2022 (restated)* |
|--|------|----------------------------------|---------------------------------|---------------------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 6 | 829,699,409 | 807,305,400 | 762,029,035 |
| Investment property | | 111,674 | 101,634 | 104,999 |
| Intangible assets | | 4,073,766 | 3,873,844 | 3,953,543 |
| Right-of-use assets | | 2,621,008 | 3,287,300 | 2,652,394 |
| Investments in joint ventures and associates | 7 | 94,160,883 | 90,636,503 | 88,567,345 |
| Other non-current assets | 8 | 137,735,539 | 87,565,678 | 40,566,491 |
| Total non-currents assets | | 1,068,402,279 | 992,770,359 | 897,873,807 |
| Current assets | | | | |
| Inventory | | 24,641,845 | 24,375,011 | 15,629,358 |
| Trade and other receivables | 9 | 74,573,421 | 66,637,094 | 41,165,465 |
| Other current assets | 10 | 24,306,051 | 15,683,819 | 16,343,479 |
| Income tax prepaid | | 2,703,029 | 4,389,702 | 4,131,810 |
| Cash and cash equivalents | 11 | 64,598,853 | 43,662,456 | 39,138,573 |
| Total current assets | | 190,823,199 | 154,748,082 | 116,408,685 |
| TOTAL ASSETS | | 1,259,225,478 | 1,147,518,441 | 1,014,282,492 |

* - Comparative information has been restated for business combination under common control (Note 2).

Signed on behalf of management on 11 November 2024.

Almasbi N. Kamalov
 Managing Director on Economics
 and Finance



Saule B. Tulekova
 Director of Accounting and Tax
 Department – Chief Accountant

The accompanying notes are an integral part of these condensed consolidated interim financial statements

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Financial Position (unaudited) (continued)

| <i>In thousands of Kazakhstani Tenge</i> | Note | 30 September 2024 (unaudited) | 31 December 2023 (restated)* | 31 December 2022 (restated)* |
|---|------|----------------------------------|---------------------------------|---------------------------------|
| EQUITY | | | | |
| Share capital | | 507,435,225 | 443,567,998 | 378,531,570 |
| Other reserves | | 135,362,170 | 167,372,454 | 167,236,573 |
| Retained earnings | | 123,070,356 | 78,607,607 | 28,012,639 |
| <hr/> | | | | |
| Equity attributable to the Group's shareholders | | 765,867,751 | 689,548,059 | 573,780,782 |
| Non-controlling interest | | 2,614,055 | 2,368,160 | 1,718,695 |
| <hr/> | | | | |
| TOTAL EQUITY | | 768,481,806 | 691,916,219 | 575,499,477 |
| <hr/> | | | | |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Asset restoration provision | 13 | 26,498,036 | 22,889,811 | 21,561,994 |
| Employee benefit obligations | | 2,254,781 | 2,041,793 | 2,225,947 |
| Borrowings | 14 | 281,307,863 | 218,207,129 | 147,794,163 |
| Other non-current liabilities | | 218,908 | 74,169 | 376,922 |
| Non-current lease liabilities | | 1,157,828 | 1,504,522 | 1,132,295 |
| Deferred income tax liabilities | | 65,455,021 | 69,244,143 | 72,078,167 |
| <hr/> | | | | |
| Total non-current liabilities | | 376,892,437 | 313,961,567 | 245,169,488 |
| <hr/> | | | | |
| Current liabilities | | | | |
| Asset restoration provision | 13 | 566,402 | 1,064,605 | 66,400 |
| Borrowings | 14 | 42,412,787 | 51,986,950 | 118,132,815 |
| Employee benefit obligations | | 322,667 | 267,402 | 202,736 |
| Trade and other payables | 15 | 51,689,955 | 73,523,643 | 58,622,623 |
| Taxes payable and other payables to budget | | 12,306,810 | 10,736,129 | 11,311,801 |
| Current lease liabilities | | 643,367 | 1,028,595 | 925,658 |
| Income tax payable | | 5,909,247 | 3,033,331 | 4,351,494 |
| <hr/> | | | | |
| Total current liabilities | | 113,851,235 | 141,640,655 | 193,613,527 |
| <hr/> | | | | |
| TOTAL LIABILITIES | | 490,743,672 | 455,602,222 | 438,783,015 |
| <hr/> | | | | |
| TOTAL LIABILITIES AND EQUITY | | 1,259,225,478 | 1,147,518,441 | 1,014,282,492 |
| <hr/> | | | | |
| Carrying value of an ordinary share, Tenge | 25 | 109,951 | 109,006 | 101,472 |

* - Comparative information has been restated for business combination under common control (Note 2).

Signed on behalf of management on 01 November 2024.

Almasbi N. Kamalov
Managing Director of Economics
and Finance



Saule B. Tulekova
Director of Accounting and Tax
Department – Chief Accountant

The accompanying notes are an integral part of these condensed consolidated interim financial statements

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income (unaudited)

| <i>In thousands of Kazakhstani Tenge</i> | Note | 9 months ended 30 September | | 3 months ended 30 September | |
|---|------|-----------------------------|---------------------|------------------------------------|------------------------------------|
| | | 2024 (unaudited) | 2023 (unaudited) | 2024 (unaudited) (restated)* | 2023 (unaudited) (restated)* |
| Revenue | 16 | 413,929,552 | 322,928,642 | 133,070,701 | 99,647,575 |
| Cost of Sales | 17 | (260,857,081) | (247,454,942) | (86,995,962) | (76,420,374) |
| Gross Profit | | 153,072,471 | 75,473,700 | 46,074,739 | 23,227,201 |
| Selling expenses | | (6,487,757) | (6,349,940) | (2,003,032) | (1,854,658) |
| General and administrative expenses | 18 | (12,864,100) | (11,268,385) | (3,611,061) | (3,585,526) |
| Share in profit of joint ventures and associates | 7 | 3,457,713 | 8,787,627 | (1,377,221) | (344,687) |
| Gain on reversal of/(loss on) impairment of non-financial assets (net) | | 54,020 | (14,062,442) | 39,121 | 7,876 |
| (Loss on)/Gain on reversal of impairment of financial assets (net) | | (3,322,570) | 1,278,820 | (103,837) | 302,124 |
| Finance income | 19 | 6,390,884 | 5,257,772 | 2,553,806 | 1,311,313 |
| Finance costs | 20 | (22,142,902) | (18,223,128) | (7,277,092) | (5,361,250) |
| Other income | | 1,521,588 | 2,970,079 | 656,130 | 942,545 |
| Other expense | | (430,929) | (627,206) | (198,886) | (419,794) |
| Profit before income tax | | 119,248,418 | 43,236,897 | 34,752,667 | 14,225,144 |
| Income tax expense | 21 | (23,422,482) | (12,145,370) | (7,066,108) | (4,024,098) |
| Profit/(loss) for the period | | 95,825,936 | 31,091,527 | 27,686,559 | 10,201,046 |
| Other comprehensive income (<i>Items that will not be reclassified to profit or loss</i>) | | | | | |
| Remeasurement of post-employment benefit obligations | | 72,907 | 197,208 | (106,028) | (18,771) |
| Total comprehensive income/(loss) for the period | | 95,898,843 | 31,288,735 | 27,580,531 | 10,182,275 |
| Profit/(loss) attributable to: | | | | | |
| Shareholders of the Group | | 95,580,041 | 30,990,994 | 27,563,633 | 10,166,397 |
| Non-controlling interest | | 245,895 | 100,533 | 122,926 | 34,649 |
| Profit/(loss) for the period | | 95,825,936 | 31,091,527 | 27,686,559 | 10,201,046 |
| Total comprehensive income/(loss) attributable to: | | | | | |
| Shareholders of the Group | | 95,652,948 | 31,188,202 | 27,457,605 | 10,147,626 |
| Non-controlling interest | | 245,895 | 100,533 | 122,926 | 34,649 |
| Total comprehensive income/(loss) for the period | | 95,898,843 | 31,288,735 | 27,580,531 | 10,182,275 |

* - Comparative information has been restated for business combination under common control (Note 2).

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Changes in Equity (unaudited)

| In thousands of Kazakhstani Tenge | Note | Attributable to the shareholders of the Group | | | | Non-controlling interest | Share capital |
|--|-------|---|--------------------|--------------------|--------------------|--------------------------|--------------------|
| | | Share capital | Other reserves | Retained earnings | Total | | |
| Balance at 1 January 2023 | | 378,531,570 | 124,850,717 | 28,012,639 | 531,394,926 | 1,718,695 | 533,113,621 |
| Effect of business combination under common control* | | - | 42,385,856 | - | 42,385,856 | - | 42,385,856 |
| Balance at 1 January 2023 (restated)* | | 378,531,570 | 167,236,573 | 28,012,639 | 573,780,782 | 1,718,695 | 575,499,477 |
| Profit/(loss) for the period (unaudited) | | - | - | 20,800,027 | 20,800,027 | 65,884 | 20,865,911 |
| Other comprehensive income (unaudited) | | - | 215,979 | - | 215,979 | - | 215,979 |
| Total comprehensive income (unaudited) | | - | 215,979 | 20,800,027 | 21,016,006 | 65,884 | 21,081,890 |
| Dividends declared | | - | - | (6,140,000) | (6,140,000) | - | (6,140,000) |
| Balance at 30 September 2023 (unaudited) | | 378,531,570 | 167,452,552 | 42,672,666 | 588,656,788 | 1,784,579 | 590,441,367 |
| Balance at 1 January 2024 | | 443,567,998 | 124,986,598 | 69,051,939 | 637,606,535 | 2,368,160 | 639,974,695 |
| Effect of business combination under common control* | | - | 42,385,856 | 9,555,668 | 51,941,524 | - | 51,941,524 |
| Balance at 1 January 2024 (restated)* | | 443,567,998 | 167,372,454 | 78,607,607 | 689,548,059 | 2,368,160 | 691,916,219 |
| Profit for the period (unaudited) | | - | - | 95,580,040 | 95,580,040 | 245,895 | 95,825,935 |
| Other comprehensive income (unaudited) | | - | 72,907 | - | 72,907 | - | 72,907 |
| Total comprehensive income (unaudited) | | - | 72,907 | 95,580,040 | 95,652,947 | 245,895 | 95,898,842 |
| Shares issuance -business combination under common control | 2, 12 | 63,867,227 | (33,428,805) | (26,301,422) | 4,137,000 | - | 4,137,000 |
| Dividends declared | 12 | - | - | (24,815,869) | (24,815,869) | - | (24,815,869) |
| Loss from initial recognition of loan from Samruk-Kazyna | 14 | - | 1,345,614 | - | 1,345,614 | - | 1,345,614 |
| Balance at 30 September 2024 (unaudited) | | 507,435,225 | 135,362,170 | 123,070,356 | 765,867,751 | 2,614,055 | 768,481,806 |

* - Comparative information has been restated for business combination under common control (Note 2).

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cash Flows (unaudited)

| <i>In thousands of Kazakhstani Tenge</i> | Note | 9 months ended 30 September | |
|--|-----------|-----------------------------|---------------------------------|
| | | 2024 (unaudited) | 2023 (unaudited) (restated)* |
| Cash flows from operating activities | | | |
| Profit before income | | 119,248,417 | 43,236,897 |
| Adjustments for: | | | |
| Depreciation and amortisation | | 43,400,966 | 51,736,556 |
| (Gain on reversal of)/loss on impairment of non-financial assets (net) | | (54,020) | 14,062,442 |
| Loss on/(Gain on reversal of) impairment of financial assets (net) | | 3,322,570 | (1,265,216) |
| Finance expenses | 20 | 22,142,902 | 18,223,128 |
| Finance income | 19 | (6,390,884) | (5,257,772) |
| Share in profit of joint ventures and associates | 7 | (3,457,713) | (8,787,627) |
| Other adjustments | | (68,503) | 2,674,972 |
| Operating cash flows before working capital changes | | 178,143,735 | 114,623,380 |
| Change in trade and other receivables and other current assets | | (14,751,814) | (2,696,863) |
| Change in inventories | | (1,845,471) | (6,595,207) |
| Change in trade and other payables and other non-current liabilities | | (1,974,339) | (2,922,891) |
| Change in employee benefits payable | | 347,160 | (239,192) |
| Change in taxes payable | | (4,014,007) | 554,945 |
| Cash flows from operating activities | | 155,905,264 | 102,724,172 |
| Income tax paid | | (22,592,141) | (16,827,641) |
| Interest paid | | (9,227,523) | (9,267,593) |
| Dividends received | | - | 1,052,246 |
| Net cash from operating activities | | 124,085,600 | 77,681,184 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (122,008,091) | (93,108,962) |
| Purchase of intangible assets | | (392,862) | (156,991) |
| Proceeds from sale of debt instruments | | 47,038,066 | 17,612,843 |
| Purchase of debt instruments | | (57,628,282) | (21,713,886) |
| Interest income received | | 6,219,583 | 3,638,397 |
| Proceeds from the sale of shares of subsidiaries | | - | 7,901,055 |
| Other purchases | | 8,720 | 215,760 |
| Net cash used in investing activities | | (126,762,866) | (85,611,784) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 162,045,579 | 58,035,244 |
| Proceeds from issue of shares | | 4,137,000 | 24,201,138 |
| Repayment of borrowings | | (116,309,669) | (72,169,565) |
| Payment of principal on financial lease | | (831,601) | (511,956) |
| Dividends paid to shareholders | | (24,815,868) | (6,139,945) |
| Dividends paid to non-controlling shareholders | | (478,878) | (115,175) |
| Other payments | | (207,272) | - |
| Net cash used in financing activities | | 23,539,291 | 3,299,741 |
| Foreign exchange effect on cash and cash equivalents | | 71,370 | 61,713 |
| Less provision for cash impairment | | 3,002 | (6,803) |
| Net change in cash and cash equivalents | | 20,936,397 | (4,575,949) |
| Cash and cash equivalents at the beginning of the year | 11 | 43,662,456 | 39,138,573 |
| Cash and cash equivalents at the end of the period | 11 | 64,598,853 | 34,562,624 |

* - Comparative information has been restated for business combination under common control (Note 2).

Cash outflows for purchase of property, plant and equipment include capitalized interest paid in the amount of Tenge 9,856,346 thousand (for nine months ended 30 September 2023: Tenge 7,780,791 thousand).

The accompanying notes are an integral part of these condensed consolidated interim financial statements

1 Samruk-Energy Group and its Operations

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, “Interim financial reporting” for three and nine months ended 30 September 2024 for Samruk-Energy JSC (the “Company”) and its subsidiaries (together referred to as the “Group”).

The Company was incorporated on 18 April 2007 and registered on 10 May 2007. The Company is a joint stock company and was set up in accordance with regulations of the Republic of Kazakhstan. The Group was established for the purpose of consolidation of entities in electric power industry of the Republic of Kazakhstan (the “RoK”).

As of 30 September 2024, the Company’s single shareholder is Samruk-Kazyna National Welfare Fund JSC (“Samruk-Kazyna”). The Company’s ultimate controlling party is the Government of the RoK.

Principal activity

The Group’s principal activities are production of electricity, heating energy, hot water on the basis of coal, hydrocarbons and water resources, and renewable energy sources (“RES”), and sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, as well as leasing of property of hydro power plants.

The operations of the Group’s subsidiaries and joint ventures are regulated by the Law of the Republic of Kazakhstan on Electric Power Industry, the Law on Natural Monopolies and Regulated Markets, and the Commercial Code of the RoK. Tariffs, based on the type of activities of a company, are regulated by the Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of the Republic of Kazakhstan (“Committee”) or by the relevant ministry – Ministry of Energy of the Republic of Kazakhstan (“ME”).

Registered address and place of business

The registered address and place of Company’s Head Office is: Block B, 15A Kabanbay Batyr Avenue, Astana, Republic of Kazakhstan.

2 Basis of Preparation and Material Accounting Policy Information

Basis of preparation

These condensed consolidated interim financial statements for the three and nine-month period ended 30 September 2024 have been prepared in accordance with IAS 34, Interim Financial Reporting. The condensed consolidated interim financial statements do not include all notes that are normally included in the annual financial statements. Therefore, these condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2023, which have been prepared in accordance with IFRS. The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those of the previous financial year except for accounting for income taxes.

Income tax expenses for the interim period are accrued using the calculated effective tax rate that would be applicable for the financial year. The effective tax rate for the three and nine months ended 30 September 2024 differs from the enacted corporate income tax rate due to the expected use of unrecognized tax assets.

Amendments to standards effective from 1 January 2024 did not have significant impact on the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued, but is not yet effective.

2 Basis of Preparation and Material Accounting Policy Information (Continued)

Seasonality of operations

The Group's operations are exposed to the seasonal fluctuations. Fluctuations in electricity transmission volume, production of heat and electricity relate to the heating season lasting from October to April.

Also, the Group's repair and maintenance works might be subject to seasonality. Significant amount of maintenance and repair work are expected to be carried out in the second half of 2024 that will significantly increase the Group's expenses, downtime of power units and low levels of electricity production.

Exchange rates

As of 30 September 2024, the official exchange rate used to translate balances in foreign currency was Tenge 481.19 for 1 US dollar (31 December 2023: Tenge 454.56 for 1 US dollar).

Going concern

Management has prepared these condensed interim consolidated financial statements on a going concern basis. This implies the disposal of assets and settlement of liabilities in the normal course of business for the foreseeable future.

Changes in presentation of financial statements

On 2 May 2024 Samruk-Kazyna transferred to the Group shares of AES Shulbinskaya GES LLP and AES Ust-Kamenogorskaya GES LLP (hereinafter "Shulbinskaya GES" and "UK GES") for the issuance of shares (Note 12). These transactions represent business combinations under common control and are accounted for retrospectively under the pooling of interest method based on the carrying value of assets and liabilities of Shulbinskaya GES and UK GES in predecessor's accounting books. Accordingly, these interim condensed consolidated financial statements were presented as if the shares of Shulbinskaya GES and UK GES were transferred at the beginning of the earliest presented period. As a result, relevant comparative information was restated. The carrying amount of the net assets of Shulbinskaya GES and UK GES was presented as of 31 December 2023 and 31 December 2022 as part of other reserves. As a result of these transactions, the Group's share capital was increased by Tenge 59,730,227 thousand. The difference between the nominal value of the shares issued and the carrying value of the net assets of Shulbinskaya GES and UK HPP was recognized as part of retained earnings in these condensed consolidated interim financial statements.

2 Basis of Preparation and Material Accounting Policy Information (Continued)

Impact on comparative data due to acquisition of Shulbinskaya GES and UK GES is presented below:

Condensed Consolidated Interim Statement of Financial Position

| <i>In thousands of Kazakhstani Tenge</i> | 31 December 2023 | 31 December 2022 |
|--|-------------------------|-------------------------|
| Increase in non-current assets | | |
| Increase in property, plant and equipment | 48,878,203 | 41,753,467 |
| Increase in intangible assets | 459,377 | 227,340 |
| Increase in other long-term assets | 1,641,393 | - |
| Total increase in non-current assets | 50,978,973 | 41,980,807 |
| Increase in current assets | | |
| Increase in inventories | 340,221 | 196,531 |
| Increase in trade and other receivables | 2,392,113 | 1,545,874 |
| Increase in other current assets | 4,502,087 | 70,427 |
| Increase in income tax prepaid | 70,502 | 121,014 |
| Increase in cash and cash equivalents | 1,138,714 | 4,521,813 |
| Total increase in non-current assets | 8,443,637 | 6,455,659 |
| TOTAL INCREASE IN ASSETS | 59,422,610 | 48,436,466 |
| Increase in equity | | |
| Increase in other reserves | 42,385,856 | 42,385,856 |
| Increase in retained earnings | 9,555,668 | - |
| Increase in equity attributable to the Group's shareholders | 51,941,524 | 42,385,856 |
| TOTAL INCREASE IN EQUITY | 51,941,524 | 42,385,856 |
| Increase in non-current liabilities | | |
| Increase in employee benefit obligations | 104,432 | 86,102 |
| Increase in deferred tax liabilities | 6,724,038 | 4,824,122 |
| Total increase in non-current liabilities | 6,828,470 | 4,910,224 |
| Increase in current liabilities | | |
| Increase in employee benefit obligations | 12,853 | 15,441 |
| Increase in trade and other payables | 155,342 | 810,886 |
| Increase in taxes payable and other payables to budget | 237,376 | - |
| Increase in income tax payable | 73,039 | - |
| Increase in other current liabilities | 174,006 | 314,059 |
| Total increase in current liabilities | 652,616 | 1,140,386 |
| TOTAL INCREASE IN LIABILITIES | 7,481,086 | 6,050,610 |
| TOTAL INCREASE IN EQUITY AND LIABILITIES | 59,422,610 | 48,436,466 |

2 Basis of Preparation and Material Accounting Policy Information (Continued)

Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

| <i>In thousands of Kazakhstani Tenge</i> | 9 months ended 30 June 2023 | 3 months ended 30 June 2023 |
|---|--|--|
| Revenue | 15,190,469 | 4,246,734 |
| Cost of Sales | (8,310,351) | (2,000,981) |
| Gross Profit | 6,880,118 | 2,245,753 |
| General and administrative expenses | (663,723) | (198,686) |
| Gain on reversal of impairment of financial assets, net | 94 | 79 |
| Finance income | 498,997 | 171,185 |
| Other income | 53,862 | 20,261 |
| Other expenses | (7,869) | (1,685) |
| Profit before income tax | 6,761,479 | 2,236,907 |
| Income tax expense | (1,302,805) | (449,209) |
| Profit for the period | 5,458,674 | 1,787,698 |

Condensed Consolidated Interim Statement of Cash Flows

The net cash flows effect for the nine months ended 30 September 2023 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 9 months ended 30 June 2023 |
|--|--|
| Operating | 7,036,485 |
| Investing | (1,301,518) |
| Financing | (4,098,945) |
| Net increase in cash and cash equivalents | 1,636,022 |

3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies

While preparing the condensed consolidated interim financial statements, the Group uses estimates and makes assumptions that affect the accounting policies applied and reported assets and liabilities, income and expenses. Actual results may differ from these estimates.

Applied key accounting estimates and professional judgments are consistent with those accounting estimates and professional judgments applied in the preparation of the annual financial statements for the year ended 31 December 2023, except for the calculation of income tax provisions and adoption of new and amended standards.

Impairment of non-financial assets

Analysis of the impairment indicators of property, plant and equipment – production of electricity and heat based on coal, transmission and distribution of electricity

The Group's management performed the analysis of the impairment indicators of property, plant and equipment of subsidiaries Almaty Electric Stations JSC ("AIES"), Ekibastuz GRES-1 named after Bulat Nurzhanov LLP ("EGRES-1"), Alatau Zharyk Company JSC ("AZhK") as well as investments in the joint venture Station Ekibastuzskaya GRES-2 JSC (hereinafter "SEGRES-2") in accordance with IAS 36 "Impairment of Assets".

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

The principal facts and assumptions used in the analysis of the impairment indicators are:

- Projected growth in the medium term in demand for electricity in the northern and southern zones of the Republic of Kazakhstan;
- Increase in marginal tariffs for electricity for energy producing organizations from 1 January 2024 by 10-27% comparing to current tariffs in accordance with Order of the ME of the RoK with the possibility of adjusting tariffs with an increase in basic costs, in accordance with the Rules for approving the marginal tariff for electrical energy;
- Increase in the tariff for electricity transmission from 1 January 2024 by 6.7% and from 1 August 2024 by 28.5% according to the joint order of the DKREM of Ministry of National Economy of the RoK of Almaty and Almaty region;
- Increase in the tariff for heat energy from 1 January 2024 by 11%, and 1 September 2024 by 6.9% according to the Law of the Republic of Kazakhstan "On Natural Monopolies";
- Overfulfillment of the plan for the main operational and financial performance indicators as of 30 September 2024;
- It is planned to modernize the two main power plants of AIES - Almaty CHP-2 and CHP-3 (Note 22). The residual value of the existing assets of the coal-fired power units of these plants, subject to conservation or dismantling, by the time the new gas turbine/combined cycle power units are put into operation will be equal to zero;
- No significant changes that have occurred during the period or are expected to occur in the near future and have a significant impact on the recoverable amount of assets.

As a result of the analysis of external and internal impairment indicators, the Group's management concluded that there were no impairment indicators at the date of the analysis. Accordingly, the Group's management has elected not to test for impairment of property, plant and equipment and intangible assets of these subsidiaries and investments in the joint venture at 30 September 2024.

Accounting for repurchase agreements with the Single Power Purchaser from 1 July 2023

For Group consolidated financial statements, the electricity sales contracts of power plants and purchase contracts of distribution and trade entities of the Group are considered as repurchase agreements in accordance with IFRS 15. Accordingly, the Group eliminates the cost of purchasing electricity and revenue from sales of electricity by power plants at the consolidation level of the Group.

The elimination amount for three and nine months ended 30 September 2024 amounted to Tenge 22,210,833 thousand and Tenge 66,082,965 thousand, respectively. This adjustment is reflected for the purpose of presenting the revenue and costs of sales of the Group from a single economic unit perspective and does not affect the financial results of the Group.

If the estimated weighted average selling price had differed by 10% from management's estimates, the elimination amount for the period of nine months ended 30 September 2024, revenue and cost of sales would have increased/decreased by Tenge 2,221,083 thousand and Tenge 6,608,296 thousand.

Agreement on trust management of property of Ekibastuz CHPP LLP

On 17 June 2004 an agreement was signed between Energy Solution Center LLP and the State institution "Department of economics and finance of the Akimat of the city Ekibastuz" on the transfer of state property into trust management for the period of three years. According to the agreement, the property of the Ekibastuz CHPP (buildings and constructions, machinery and equipment, vehicles and other fixed assets) was transferred for the trust management of Energy Solutions Center LLP. The terms of the trust management agreement do not include payments for the use of the transferred asset. In turn, Energy Solutions Center LLP undertakes to carry out effective property management, maintain the property in proper condition, ensuring uninterrupted heat supply to the population, including carrying out the necessary current and major repairs at its own expense. Accordingly, at 30 September 2024 the Group has not recognized a right-of-use asset in these condensed consolidated interim financial statements. Energy Solutions Center LLP, managing the property, acquired the status of a natural monopoly and currently produces and sells thermal energy.

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

Agreement on trust management of property PGU Turkestan LLP

On 16 May 2024, an agreement was concluded between Samruk-Kazyna JSC and Samruk-Energy JSC on the transfer of PGU Turkestan LLP to trust management. The agreement was valid for the period of design and construction, until the power plant is commissioned in the Turkestan region, but no later than 31 December 2026.

On 30 September 2024, a termination agreement of the trust management agreement No.1884-И dated 16 May, 2024 was concluded between Samruk-Kazyna JSC and Samruk-Energy JSC.

4 Segment Information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, segment operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the management board of the Group.

Segment financial information analysed by CODM includes information about revenue and profit before tax. CODM also monitors the EBITDA of the Group, which is calculated as profit/(loss) for the period before accounting for finance income and finance expense, income tax expenses, depreciation of property, plant and equipment and amortisation of intangible assets, impairment of property plant and equipment and investment property, impairment of goodwill, share of profit/(loss) of associates and joint ventures and other similar effects. Sequence for EBITDA identification across the Group might be different from the sequence used by other companies.

(a) Description of products and services from which each reportable segment derives its revenue

The Group is organised on the basis of three main business segments:

- Production of electric and heating energy.
- Transmission and distribution of electricity.
- Sale of electricity.

4 Segment Information (Continued)

(b) Performance of operating segments

The CODM evaluates performance of each segment based on a measure of revenue and pre-tax profit.

| | Production of electric and heating energy | | Electricity transmission and distribution | | Sale of electricity | | Other | | Total | |
|--|---|--------------------|---|--------------------|---------------------|--------------------|-------------------|-------------------|--------------------|--------------------|
| | 9 months ended | | 9 months ended | | 9 months ended | | 9 months ended | | 9 months ended | |
| | 30 September 2024 | 30 September 2023 | 30 September 2024 | 30 September 2023* | 30 September 2024 | 30 September 2023 | 30 September 2024 | 30 September 2023 | 30 September 2024 | 30 September 2023 |
| <i>In thousands of Kazakhstani Tenge</i> | | | | | | | | | | |
| Total segment revenue –Sales of electricity | 153,036,445 | 184,375,671 | - | - | 174,805,102 | 120,688,717 | - | - | 327,841,547 | 305,064,388 |
| Inter-segment revenue | | (42,303,945) | - | - | (1,538) | (1,269) | - | - | (1,538) | (42,305,214) |
| External revenue – Sales of electricity | 153,036,445 | 142,071,727 | - | - | 174,803,564 | 120,687,448 | - | - | 327,840,009 | 262,759,174 |
| Sales of heating energy | 18,607,252 | 14,706,526 | - | - | - | - | - | - | 18,607,252 | 14,706,526 |
| Revenue from the service on maintaining power capacity | 43,567,861 | 27,065,234 | - | - | - | - | - | - | 43,567,861 | 27,065,234 |
| Rental income from renewable energy sources | 4,968,153 | 4,380,771 | - | - | - | - | - | - | 4,968,153 | 4,380,771 |
| Total segment revenue – Transmission of electricity | - | - | 64,941,479 | 47,750,664 | - | - | - | - | 64,941,479 | 47,750,664 |
| Inter-segment revenue | - | - | (59,849,852) | (39,403,775) | - | - | - | - | (59,849,852) | (39,403,775) |
| External revenue –Transmission of electricity | - | - | 5,091,627 | 8,346,889 | - | - | - | - | 5,091,627 | 8,346,889 |
| Rental income from investment property | - | - | - | - | - | - | 12,076,995 | 3,323,089 | 12,076,995 | 3,323,089 |
| Sales of chemically purified water | 1,388,861 | 1,385,419 | - | - | - | - | - | - | 1,388,861 | 1,385,419 |
| Total other | 427,697 | 1,636,028 | - | - | - | - | 1,352,421 | 1,140,822 | 1,780,118 | 2,776,850 |
| Inter-segment revenue – other | (40,810) | (792,909) | - | - | - | - | (1,368,275) | 1,140,822) | (1,409,085) | (1,933,731) |
| External revenue – other | 388,794 | 961,539 | - | - | - | - | - | - | 388,794 | 961,540 |
| Total external revenue | 221,957,366 | 190,571,216 | 5,091,627 | 8,346,889 | 174,803,564 | 120,687,448 | 12,076,995 | 3,323,089 | 413,929,552 | 322,928,642 |

SAMRUK-ENERGY JSC
Notes to Condensed Consolidated Interim Financial Statements – 30 September 2024 (unaudited)

4 Segment Information (Continued)

| | Production of electricity and heating energy | | Electricity transmission and distribution | | Sale of electricity | | Other | | Inter-segment operations | | Total | |
|--|--|----------------|---|----------------|---------------------|----------------|----------------|----------------|--------------------------|----------------|----------------|----------------|
| | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 |
| <i>In thousands of Kazakhstani Tenge</i> | | | | | | | | | | | | |
| Cost of sales | (168,146,767) | (170,146,787) | (47,462,869) | (37,713,040) | (170,945,927) | (122,458,095) | (1,082,092) | (770,606) | 126,780,574 | 83,633,587 | (260,857,081) | (247,454,942) |
| Less depreciation and amortisation | 33,263,077 | 42,526,313 | 7,328,268 | 6,823,267 | 205,686 | 203,710 | 1,374,903 | 426,150 | 1,229,109 | - | 43,401,043 | 49,979,440 |
| Selling expense | (6,487,757) | (6,349,940) | - | - | - | - | - | - | - | - | (6,487,757) | (6,349,940) |
| Finance costs | (10,280,691) | (7,909,116) | (1,006,744) | (839,391) | (1,066,827) | (553,426) | (16,118,307) | (14,428,745) | 6,329,667 | 5,507,551 | (22,142,902) | (18,223,128) |
| Less interest expense | 5,377,541 | 3,641,453 | 341,587 | 299,027 | 1,011,590 | 524,975 | 8,596,029 | 8,070,643 | (2,741,452) | (1,992,203) | 12,585,295 | 10,543,895 |
| Finance income | 2,513,819 | 2,342,428 | 118,013 | 238,651 | 417,200 | 204,086 | 9,646,767 | 8,498,037 | (6,304,915) | (6,025,430) | 6,390,884 | 5,257,772 |
| Share of profit of joint ventures and associates and investment impairment | - | - | - | - | - | - | 3,457,713 | 8,787,627 | - | - | 3,457,713 | 8,787,627 |
| Impairment of non-financial assets | 54,020 | (14,062,442) | - | - | - | - | - | - | - | - | 54,020 | (14,062,442) |
| Capital expenditure | (86,160,458) | (84,858,940) | (6,944,503) | (6,944,503) | (53,493) | (53,493) | (104,514) | (101,514) | - | - | (93,262,968) | (91,958,450) |
| Reportable segment assets | 948,890,670 | 792,795,723 | 164,083,301 | 151,667,099 | 28,476,317 | 18,696,399 | 895,208,469 | 689,681,833 | (777,433,279) | (614,474,564) | 1,259,225,478 | 1,038,366,490 |
| Reportable segment liabilities | 323,962,468 | 265,731,502 | 37,145,369 | 38,862,343 | 38,736,711 | 30,920,564 | 237,694,007 | 164,510,565 | (146,794,883) | (86,510,349) | 490,743,672 | 413,514,625 |

(c) Reconciliation of total adjusted EBITDA to total profit before income tax is provided as follows

| | Production of electricity and heating energy | | Electricity transmission and distribution | | Sale of electricity | | Other | | Inter-segment operations | | Total | |
|--|--|-------------------|---|------------------|---------------------|--------------------|-------------------|-------------------|--------------------------|---------------------|--------------------|-------------------|
| | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 | September 2024 | September 2023 |
| <i>In thousands of Kazakhstani Tenge</i> | | | | | | | | | | | | |
| Total consolidated adjusted EBITDA | 140,518,239 | 110,865,719 | 24,456,760 | 16,408,302 | 3,047,761 | (2,411,839) | 50,396,169 | 15,939,974 | (43,529,182) | (29,345,648) | 174,889,746 | 111,465,011 |
| Depreciation and amortization | (33,263,077) | (42,526,313) | (7,328,268) | (6,823,267) | (205,686) | (203,710) | (1,374,903) | (426,150) | (1,229,109) | - | (43,401,043) | (49,979,440) |
| Finance income | 2,513,819 | 2,342,428 | 118,013 | 238,651 | 417,200 | 204,086 | 9,646,767 | 8,498,037 | (6,304,915) | (6,025,430) | 6,390,884 | 5,257,772 |
| Finance expense | (10,280,691) | (7,909,116) | (1,006,744) | (839,391) | (1,066,827) | (553,426) | (16,118,307) | (14,428,745) | 6,329,667 | 5,507,551 | (22,142,902) | (18,223,128) |
| Impairment of non-financial assets | 54,020 | (14,062,442) | - | - | - | - | - | - | - | - | 54,020 | (14,070,945) |
| Share of profit of joint ventures and associates and investment impairment | - | - | - | - | - | - | 3,457,713 | 8,787,627 | - | - | 3,457,713 | 8,787,627 |
| Profit before tax | 99,542,309 | 48,710,275 | 16,239,760 | 8,984,295 | 2,192,449 | (2,964,889) | 46,007,439 | 18,370,743 | (44,733,539) | (29,863,527) | 119,248,418 | 43,236,897 |

4 Segment Information (Continued)

(d) Major customers

As a result of the implementation of a Single Power Purchaser, RFC became the major customer accounting for more than 40% of Group's revenue for the period of nine months ended 30 September 2024. During the nine months for the months ended 30 September more than 10% of the total revenue was sold to companies under the control of Samruk-Kazyna.

5 Balances and Transactions with Related Parties

Related parties are defined in IAS 24, Related Party Disclosures. Parties are generally considered to be related if one party has the ability to control the other party, is under common control, 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 the companies under control of Samruk-Kazyna. Transactions with the state-owned entities are not disclosed when they are entered into 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 Group's services are provided on the standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications and etc. At 30 September 2024, the outstanding balances with related parties were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|--------------------------------|-------------------------------------|-------------------------------------|--------------|-----------------------------|
| Trade and other receivables | 273,948 | 4,780 | 13,432,662 | - | 36,216,488 |
| Cash and cash equivalents | 4,378 | - | - | - | 496 |
| Restricted cash | - | - | - | - | - |
| Cash due from credit institutions | - | - | - | - | - |
| Other current assets | 1,219,061 | 510 | - | 5,247,690 | 6,483,557 |
| Borrowings | - | 15,164,400 | 2,726 | 116,766,931 | 10,571,619 |
| Finance lease liabilities | 10,886 | - | - | - | - |
| Trade and other payables | 3,718,376 | 4,783,887 | 3,677 | 11,010 | 18,551,727 |

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

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|--------------------------------|-------------------------------------|-------------------------------------|--------------|-----------------------------|
| Trade and other receivables | 279,731 | 9,254 | 20,915,063 | - | 26,973,287 |
| Cash and cash equivalents | 109 | - | - | - | - |
| Restricted cash | - | - | - | - | - |
| Cash due from credit institutions | - | - | - | - | - |
| Other short term assets | 778,090 | 481 | - | - | 4,926,501 |
| Borrowings | - | 15,489,216 | 3,008 | 79,746,328 | 6,865,626 |
| Finance lease liabilities | 14,352 | - | - | - | - |
| Trade and other payables | 6,223,161 | 4,679,872 | 250,432 | 25,235 | 17,962,979 |

The income and expense items with related parties for nine months ended 30 September 2024 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|--------------------------------|-------------------------------------|-------------------------------------|--------------|-----------------------------|
| Revenue | 2,577,777 | 4,512 | 12,242,808 | - | 202,166,839 |
| Cost of sales | 37,098,464 | 39,193,329 | 290,036 | - | 47,329,839 |
| General and administrative expenses | 607,129 | - | - | - | - |
| Selling expense | 6,345,360 | - | - | - | - |
| Other expenses | 1,138 | - | - | 1,025 | 1,055,699 |
| Other income | 4,011 | 28 | - | - | - |
| Finance income | 56,798 | - | - | 248,715 | 690,155 |
| Finance costs | 53,092 | 1,604,524 | - | 7,105,985 | 965,400 |

5 Balances and Transactions with Related Parties (Continued)

The income and expense items with related parties for nine months ended 30 September 2023 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|---------------------------------------|--|--|---------------------|------------------------------------|
| Revenue | 25,766,744 | 1,061,003 | 225,018 | - | 90,825,725 |
| Cost of sales | 32,811,596 | 34,942,511 | 29,181 | - | 47,647,867 |
| General and administrative expenses | 547,204 | - | - | - | - |
| Selling expense | 6,248,430 | - | - | - | - |
| Other expenses | 10,332 | - | - | - | - |
| Other income | 9,138 | 31 | 29 | - | 1,244,226 |
| Finance income | 10,918 | - | - | - | 161,108 |
| Finance costs | 1,965 | 1,552,601 | - | 6,198,670 | 654,658 |

The income and expense items with related parties for three months ended 30 September 2024 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|---------------------------------------|--|--|---------------------|------------------------------------|
| Revenue | 813,517 | 4,512 | 4,242,104 | - | 58,165,445 |
| Cost of sales | 10,168,103 | 13,759,039 | 4,821 | - | 17,127,167 |
| General and administrative expenses | 235,524 | - | - | - | - |
| Selling expense | 1,960,616 | - | - | - | - |
| Other expenses | 460 | - | - | 34 | 440 |
| Other income | 1,678 | 11 | - | - | - |
| Finance income | 4,064 | - | - | 174,826 | 416,848 |
| Finance costs | 20,573 | 476,237 | - | 2,531,573 | 308,225 |

The income and expense items with related parties for three months ended 30 September 2023 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Companies under common control | JVs and associates of Samruk-Energy | JVs and associates of Samruk-Kazyna | Shareholders | Government related entities |
|--|---------------------------------------|--|--|---------------------|------------------------------------|
| Revenue | 883,915 | 62,086 | 54,078 | - | 54,842,516 |
| Cost of sales | 7,982,657 | 12,007,407 | 23,095 | - | 10,682,620 |
| General and administrative expenses | 251,195 | - | - | - | - |
| Selling expense | 1,810,434 | - | - | - | - |
| Other expenses | 1,500 | 6 | - | - | - |
| Other income | 3,911 | 31 | 27 | - | 431,242 |
| Finance income | 3,707 | - | - | - | 74,712 |
| Finance costs | 483 | 591,081 | - | 2,126,387 | 199,009 |

As of 30 September 2024, the Group received the following guarantees from related parties:

Corporate guarantee of Samruk-Kazyna in the amount of Tenge 12,285,000 thousand under a loan agreement with the Development Bank of Kazakhstan (31 December 2023: Tenge 12,285,000 thousand)

Corporate guarantee of Samruk-Kazyna in the amount of 130,000,000 thousand tenge under the loan agreement of AIES JSC with the European Bank for Reconstruction and Development (EBRD) in order to finance the gasification project of Almaty CHPP-2. A guarantee agreement was also signed from Samruk-Energy in favor of Samruk-Kazyna in the amount of 130,000,000 thousand tenge as part of the guarantee provided by Samruk-Kazyna in favor of the EBRD as security under the loan agreement between AIES and the EBRD. No disbursement was made on this loan (Note 14);

Corporate guarantee of Samruk-Kazyna in the amount of 98,000,000 thousand tenge under the loan agreement of AIES JSC with the Asian Development Bank in order to finance the gasification project of Almaty CHPP-2. A guarantee agreement was also signed from Samruk-Energy in favor of Samruk-Kazyna in the amount of 98,000,000 thousand tenge as part of the guarantee provided by Samruk-Kazyna in favor of the Asian Development Bank as collateral under the loan agreement between AIPP and ADB. No disbursement was made on this loan (Note 14);

Corporate guarantee from Samruk-Energy in favor of Samruk-Kazyna in the amount of 117,000,000 thousand tenge as part of the guarantee provided by Samruk-Kazyna in favor of the Development Bank of Kazakhstan. No disbursement was made on this loan (Note 14).

5 Balances and Transactions with Related Parties (Continued)

Key management compensation is presented below:

| <i>In thousands of Kazakhstani Tenge</i> | Nine months ended 30 September | |
|---|---------------------------------------|----------------|
| | 2024 | 2023 |
| Key management compensation | 253,955 | 292,066 |
| Independent Directors – members of the Board of Directors | 27,501 | 21,446 |
| Total key management compensation | 281,456 | 313,512 |

Key management personnel compensation represents the salaries, bonuses and other short-term benefits to the employees and members of the Board of Directors. Key management personnel as at 30 September 2024 comprises 7 persons (30 September 2023: 5 persons). Independent Directors – members of the Board of Directors as of 30 September 2024 4 persons (30 September 2023: 4 persons).

6 Property, Plant and Equipment

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

| <i>In thousands of Kazakhstani Tenge</i> | Buildings and constructions | Machinery and equipment | Other | Construction-in-progress | Total |
|---|------------------------------------|--------------------------------|-------------------|---------------------------------|--------------------|
| Cost at 1 January 2024 | 289,835,374 | 804,939,045 | 23,216,449 | 249,034,101 | 1,367,024,969 |
| Accumulated depreciation and impairment | (125,641,209) | (412,007,658) | (10,322,856) | (11,747,846) | (559,719,569) |
| Carrying amount at 1 January 2024 (restated) | 164,194,165 | 392,931,387 | 12,893,593 | 237,286,255 | 807,305,400 |
| Additions | 2,061,797 | 826,296 | 496,838 | 62,243,578 | 65,628,509 |
| Change in accounting estimates | (224,080) | (371,433) | - | - | (595,513) |
| Transfers | 851,855 | 12,123,519 | 680,919 | (13,656,293) | - |
| Disposal | (55,232) | (909,417) | (160,319) | - | (1,124,968) |
| Depreciation | (10,617,150) | (30,356,283) | (1,281,735) | - | (42,255,168) |
| Depreciation on disposal | 6,007 | 545,797 | 147,580 | - | 699,384 |
| Cost as at 30 September 2024 | 292,469,714 | 816,608,010 | 24,233,887 | 297,621,386 | 1,430,932,997 |
| Accumulated depreciation and impairment | (136,213,224) | (441,815,753) | (11,456,765) | (11,747,846) | (601,233,588) |
| Carrying amount as at 30 September 2024 | 156,256,490 | 374,792,257 | 12,777,122 | 285,873,540 | 829,699,409 |

Additions include capitalized borrowing costs in the amount of Tenge 10,025,810 thousand. The average capitalization rate for interest expenses is 15.01% (31 December 2023: 15.77%).

Depreciation charge is allocated to the following items of profit and loss and property, plant and equipment for the year:

| <i>In thousands of Kazakhstani Tenge</i> | Nine months ended 30 September | |
|--|---------------------------------------|-------------------|
| | 2024 | 2023 |
| Cost of sales | 42,088,503 | 48,811,231 |
| General and administrative expenses | 113,432 | 176,324 |
| Other operating expenses | 48,464 | 59,400 |
| Capitalized to construction in progress | 4,769 | 5,581 |
| Total depreciation charges | 42,255,168 | 49,052,536 |

7 Investments in Joint Ventures and Associates

The table below summarises the movements in the carrying amount of the Group's investments in joint ventures and associates.

| <i>In thousands of Kazakhstani Tenge</i> | Joint ventures | | | Associates | | Total |
|--|-------------------|-------------------|---------------|-------------------|-------------------|-------------------|
| | SEGRES-2 | Forum Muider | Kokshetau CHP | Energy Semirechya | Altyn Dala Energy | |
| Balance at 1 January 2023 | 20,408,582 | 68,158,762 | - | 1 | - | 88,567,345 |
| Share of profit for the period | (2,229,721) | 11,017,348 | - | - | - | 8,787,627 |
| Dividends accrued | (1,052,246) | - | - | - | - | (1,052,246) |
| Balance at 30 September 2023 | 17,126,615 | 79,176,110 | - | 1 | - | 96,302,726 |
| Balance at 1 January 2024 | 10,695,459 | 79,941,043 | - | 1 | - | 90,636,503 |
| Contributions to share capital | - | - | 62,000 | - | 4,667 | 66,667 |
| Share of profit for the period | 3,861,238 | (384,155) | (14,703) | - | (4,667) | 3,457,713 |
| Dividends accrued | - | - | - | - | - | - |
| Balance at 30 September 2024 | 14,556,697 | 79,556,888 | 47,297 | 1 | - | 94,160,883 |

As of 30 September 2024, The Group has interests in the following jointly controlled entities:

- SEGRES-2 – 50%. The remaining 50% interest is owned by National Welfare Fund Samruk-Kazyna JSC.
- Forum Muider – 50%. The remaining 50% is owned by UC RUSAL.

On 24 June 2024 based on Decision of the Board of the Fund dated June 6, 2024 and Decisions of the Board of Directors of the Fund dated May 20, 2024 as part of the implementation of projects of construction of coal-fired thermal power plants in the cities of Kokshetau, Semey, Ust-Kamenogorsk, the Group and Samruk-Kazyna established jointly controlled enterprises Kokshetau CHP LLP, Semey Energy LLP, Uskemen Energy LLP. As of 30 September 2024 no contributions were made to the capital of jointly controlled entities.

As of 30 September 2024, the Group has ownership interests in the following associates:

- Energy Semirechya LLP - 25%. Energy Semirechya plans to build a renewable energy station. The shareholders of Energy Semirechya LLP are Hydrochina Corporation (50% share), Samruk-Energy JSC (25% share through Qazaq Green Power PLC), Powerchina Chegdu Engineering Corporation (15% share), and Powerchina Resources Ltd (10% share).
- Private company "Altyn Dala Energy Ltd." - 25%. The remaining 75% ownership share belongs to TUMAR COMMERCE LLP.

8 Other Non-Current Assets

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|---|--------------------------|--|
| Bonds | 462,154 | 420,062 |
| Long-term receivables | 424,293 | 424,293 |
| Restricted cash | 270,955 | 241,806 |
| Other non-current financial assets | 19,928 | 19,754 |
| Less: impairment provision | (141,608) | (106,418) |
| Total other non-current financial assets | 1,035,722 | 999,497 |
| Prepayments for non-current assets | 148,770,188 | 98,623,665 |
| Non-current VAT recoverable | 54,754 | 54,754 |
| Other non-current assets | 3,387,414 | 3,400,301 |
| Provision for impairments | (15,512,539) | (15,512,539) |
| Total other non-current assets | 137,735,539 | 87,565,678 |

Other non-current assets include advances and prepayments for the following types of construction services and property, plant and equipment:

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 |
|--|--------------------------|-------------------------|
| Modernisation of Almaty CHP-2 with the minimization of the environmental impact | 44,584,983 | 32,491,297 |
| Restoration of unit No. 1 of LLP "Ekibastuz SDPP-1 named after B. Nurzhanov" with the installation of electrostatic precipitators | 41,975,431 | 7,193,085 |
| Reconstruction of Almaty CHP-3 | 38,564,664 | 38,545,229 |
| Construction of 50 MW WPP in Ereymentau city | 15,376,102 | 15,376,102 |
| Overhaul of power units LLP "Ekibastuz SDPP-1 named after B. Nurzhanov" | 6,639,926 | 4,482,914 |
| Capital repairs of AIES production department facilities and implementation of an automated emission monitoring system (AMS) at AIES JSC | 1,083,078 | - |
| Construction and reconstruction of substations in Almaty and Almaty region | 385,541 | 374,575 |
| Other | 160,463 | 160,463 |
| Total prepayments for non-current assets | 148,770,188 | 98,623,665 |

As at 30 September 2024 and 31 December 2023 prepayments for Construction of a 50 MW wind farm in Ereymentau in the amount of Tenge 15,376,102 thousand was fully impaired.

9 Trade and Other Receivables

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|--|--------------------------|--|
| Trade receivables | 64,615,529 | 48,738,733 |
| Operating lease receivables | 15,233,927 | 19,903,764 |
| Less: impairment provision | (2,727,842) | (2,300,916) |
| Total financial trade receivables | 77,121,614 | 66,341,581 |
| Other receivables | 2,342,156 | 2,309,969 |
| Less: impairment provision | (4,890,349) | (2,014,456) |
| Total trade and other receivables | 74,573,421 | 66,637,094 |

10 Other Current Assets

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|---|--------------------------|--|
| Bonds and securities | 10,855,474 | 4,115,507 |
| Restricted cash | 305,662 | 307,929 |
| Other trade receivables | 446,929 | 416,625 |
| Other financial current assets | 49,197 | 120,368 |
| Term deposits | 2,943 | 1,673 |
| Less: impairment provision | (513,696) | (514,938) |
| Total other current financial assets | 11,146,509 | 4,447,164 |
| Advances to suppliers | 7,645,582 | 4,940,567 |
| VAT recoverable and prepaid taxes | 2,811,418 | 3,318,835 |
| Other non-financial current assets | 3,121,274 | 3,395,985 |
| Less: impairment provision | (418,732) | (418,732) |
| Total other current assets | 24,306,051 | 15,683,819 |

Bonds and securities as of 30 September 2024 include Samruk-Kazyna bonds in the amount of Tenge 5,248,715 thousand and Notes of the National Bank of the RoK in the amount of Tenge 5,590,217 thousand. The par value of one Samruk-Kazyna bond is 1,000 tenge and is maturing in up to 1 year. The coupon rate is calculated as the average of the base rates set by the NBRK during the coupon period, less a fixed margin of 0.75%. As of 31 December 2023 bonds and securities include Notes of the National Bank of the RoK in the amount of Tenge 4,100,000 thousand.

11 Cash and Cash Equivalents

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|--|--------------------------|--|
| Repurchase and reverse repurchase agreements ("reverse repo") with other banks with an original maturity of less than three months | 51,248,160 | 37,217,680 |
| Term deposits | 11,562,347 | 5,175,994 |
| Cash at current bank accounts | 1,770,972 | 1,252,264 |
| Cash on hand | 17,374 | 16,518 |
| Total cash and cash equivalents | 64,598,853 | 43,662,456 |

Cash and cash equivalents balances are denominated in the following currencies:

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|--|--------------------------|--|
| Kazakhstani Tenge | 64,598,376 | 43,661,984 |
| US Dollar | 477 | 471 |
| Euro | - | 1 |
| Total cash and cash equivalents | 64,598,853 | 43,662,456 |

12 Equity

At 30 September 2024, 6,952,267 issued ordinary shares were fully paid (31 December 2023: 6,311,967 shares). Each ordinary share carries one vote. The Company does not have any preference shares. The number of authorized shares is 8,602,187 (31 December 2023: 8,602,187 shares).

On 2 May 2024 Samruk-Kazyna transferred to the Group 100% stake in AES Shulbinskaya GES LLP and AES Ust-Kamenogorskaya GES LLP in payment for the issue of shares of the Company worth Tenge 36,224,485 thousand and Tenge 23,505,742 thousand. The fair value of the participation interests was determined as of 30 April 30 by engaging independent appraisers by the Company in accordance with the Law on joint stock companies. The difference between the fair value of the acquisition and the value of the shares issued in the amount of Tenge 8,957,051 thousand was recorded as an increase in Other reserves.

On 25 April 2024 the Group announced the payment of dividends to the sole shareholder in the amount of Tenge 20,565,904 thousand – Tenge 3,258.24 per share. On 11 April 2024 Shulbinskaya GES and UK GES announced the payment of dividends to Samruk-Kazyna in the amount of Tenge 3,249,965 and Tenge 1,000,000 thousand.

On 3 September 2024, Samruk-Kazyna made a contribution to the share capital of the Group in the amount of Tenge 4,137,000 thousand.

13 Asset Restoration Provision

The movement in the provision on obligations for liquidation of the consequences of operating the facilities is presented below:

| <i>In thousands of Kazakhstani Tenge</i> | Note | 30 September 2024 | 31 December 2023 |
|---|-------------|--------------------------|-------------------------|
| Provision at 1 January | | 20,810,977 | 19,146,405 |
| Change in estimate | 6 | (432,558) | (356,416) |
| Accrual for the year | | 2,005,297 | - |
| Unwinding of discount | 20 | 1,785,316 | 2,020,988 |
| Reversal of unused amount | | (339,190) | - |
| Total provision on obligations for liquidation of the consequences of operating the facilities | | 23,829,842 | 20,810,977 |

The movement in the provision on liquidation of ash dumps is presented below:

| <i>In thousands of Kazakhstani Tenge</i> | Note | 30 September 2024 | 31 December 2023 |
|--|-------------|--------------------------|-------------------------|
| Provision at 1 January | | 3,143,439 | 2,481,989 |
| Change in estimate through Property, plant and equipment | 6 | (162,955) | 132,290 |
| Change in estimate through Other operating income | | - | 226,874 |
| Unwinding of discount | 20 | 309,200 | 311,011 |
| Other | | (55,088) | (8,725) |
| Total provision on liquidation of ash dumps | | 3,234,596 | 3,143,439 |

14 Borrowings

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 |
|--|--------------------------|-------------------------|
| Non-current portion | | |
| Bank term loans | 133,629,704 | 106,921,024 |
| Loans from Samruk-Kazyna | 79,057,339 | 70,394,751 |
| Bonds issued | 67,918,700 | 40,122,505 |
| Loans from customers | 702,120 | 768,849 |
| Total non-current borrowings | 281,307,863 | 218,207,129 |
| Current portion | | |
| Bank term loans | 15,343,548 | 26,317,015 |
| Loans from Bogatyr-Komir | 15,164,400 | 15,489,217 |
| Bonds issued | 8,655,754 | 413,567 |
| Loans from Samruk-Kazyna | 2,811,176 | 9,351,577 |
| Loans from customers | 437,909 | 415,574 |
| Total current borrowings | 42,412,787 | 51,986,950 |
| Total borrowings | 323,720,650 | 270,194,079 |

For the nine months ended 30 September 2024 there were the following significant changes in borrowings:

Samruk-Energy JSC

During the nine months ended 30 September 2024, the Company signed an additional agreement to extend the term of the loan agreement with Samruk-Kazyna in order to finance the construction of the substation of Alatau Zharyk Kompaniyasy JSC until 25 December 2026, with a change in the interest rate on the loan equal to the weighted average inflation for the 10 years preceding the beginning of the reporting year. Management believes that such a change in the terms of the loan should be accounted for as the repayment of the original loan and recognition of the new loan at fair value. The Group recognized a gain on initial recognition of the loan in the amount of Tenge 1,345,614 thousand in other equity because management believes that Samruk-Kazyna acted as a shareholder of the Company in providing the loan at a rate below market.

On 16 February 2024, the Group paid Bogatyr-Komir LLP Tenge 1,500,000 thousand for partial repayment of the principal amount of debt on loans received and Tenge 323,815 thousand of interest on loans.

On 19 September 2024, in accordance with the liquidity management program for the Group of Samruk-Energy JSC, the Group issued long-term bonds in the amount of Tenge 34,736,552 thousand on the Astana International Exchange platform, with a maturity period of 5 years, and a floating interest rate of NBRK plus 1%. The bondholder is Samruk-Kazyna JSC.

Almaty Electric Stations JSC

During the nine months ended 30 September 2024, under the credit line agreement with Halyk Bank of Kazakhstan JSC, AIES received loans to replenish working capital in the total amount of 15,053,927 thousand tenge at interest rates of 16.75%-18.25%. During this period, repayments were made to Halyk Bank of Kazakhstan JSC for a total amount of Tenge 20,766,496 thousand.

On 2 July 2024, the Group received first tranche from European Bank for Reconstruction and Development under the loan agreement No. 52821 dated 21 November, 2022 in the amount of Tenge 21,246,195 thousand at an interest rate of the 6-month TONIA Compounded Rate indicator plus 1% financing spread (EBRD treasury expenses) plus bank margin (1.5% until 30 June, 2027 and 2% from 30 June, 2027).

As part of the general loan agreement with First Heartland Jusan Bank JSC, repayment was made in the total amount of Tenge 3,734,635 thousand.

14 Borrowings (Continued)

Ekibastuz GRES-1 named after Bulat Nurzhanov LLP

During the nine months ended 30 September 2024, EGRES-1 received tranches of a loan from Halyk Bank of Kazakhstan JSC in the amount of Tenge 6,505,941 thousand for the project "Restoration of Power Unit No. 1" for a period until 30 November 2029 at interest rates of 16.25%-17.75%, as well as 39,134,563 thousand tenge for the project "Reconstruction and modernization of Fuel Supply" for a period until July 3, 2034 at a rate of 14.79%.

During the nine months ending September 30, 2024, GRES-1 made partial repayment of tranches of loans from the Halyk Bank of Kazakhstan JSC received for the project "Restoration of Power Unit No. 1" for a period until November 30, 2029 (rates 12%-18.75%), according to schedules for the amount Tenge 2,906,770 thousand, as well as full early repayment of part of the tranches of loans from the Halyk Bank of Kazakhstan JSC received for the project "Restoration of Power Unit No. 1" (rates 16.5%-18.75%) for a period until November 30, 2029, in the amount of Tenge 34,736,552 thousand.

15 Trade and Other Payables

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 (restated) |
|--|--------------------------|--|
| Trade payables | 28,046,290 | 32,111,766 |
| Payables on acquisition of PPE | 5,084,828 | 20,589,140 |
| Dividends payable | 593,563 | 420,565 |
| Other financial payables | 3,361,089 | 4,414,121 |
| Total financial trade payables | 37,085,770 | 57,535,592 |
| Payables to Almaty Akimat | 5,841,514 | 5,841,514 |
| Accrued provisions for unused vacations | 3,556,613 | 3,138,316 |
| Salary payables | 2,394,091 | 3,432,479 |
| Advances received from customers | 1,657,547 | 1,860,470 |
| Other non-financial payables | 1,154,420 | 1,715,272 |
| Total trade and other payables | 51,689,955 | 73,523,643 |

16 Revenue

| <i>In thousands of Kazakhstani Tenge</i> | Nine months ended 30 September | | Three months ended 30 September | |
|--|---|----------------------------|--|----------------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| Sales of electricity | 327,840,009 | 262,759,174 | 109,789,811 | 83,030,276 |
| Income from maintenance of electric power capacity | 43,567,861 | 27,065,234 | 14,060,079 | 8,826,874 |
| Sales of heat power | 18,607,252 | 14,706,526 | 2,791,004 | 1,845,601 |
| Rental income from investment property | 12,076,995 | 3,323,089 | 4,189,558 | 1,100,252 |
| Income from transmission of electricity | 5,091,627 | 8,346,889 | 518,729 | 2,986,985 |
| Rental income from renewable energy sources | 4,968,153 | 4,380,771 | 1,153,945 | 970,186 |
| Sales of chemically purified water | 1,388,861 | 1,385,419 | 509,466 | 483,302 |
| Other | 388,794 | 961,540 | 58,109 | 404,099 |
| Total revenue | 413,929,552 | 322,928,642 | 133,070,701 | 99,647,575 |

17 Cost of Sales

| <i>In thousands of Kazakhstani Tenge</i> | Nine months ended 30 September | | Three months ended 30 September | |
|--|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| Fuel | 73,944,013 | 61,937,125 | 19,252,247 | 17,529,087 |
| Payroll and related expenses | 46,732,190 | 36,916,430 | 15,880,697 | 12,392,897 |
| Depreciation of property, plant and equipment and amortisation of intangible assets | 42,547,051 | 50,920,064 | 14,291,640 | 16,113,692 |
| Cost of purchased electricity | 30,269,020 | 47,305,779 | 11,985,831 | 10,740,840 |
| Electricity transmission and other services | 14,609,936 | 12,354,552 | 5,327,518 | 4,131,922 |
| Maintaining electric power capacity | 13,183,698 | 6,557,689 | 4,531,982 | 2,103,141 |
| Taxes other than income tax | 8,729,425 | 7,894,167 | 2,799,918 | 2,489,747 |
| Repairs and maintenance | 7,908,928 | 7,856,543 | 3,634,882 | 4,418,407 |
| Water supply | 7,328,588 | 5,618,050 | 2,888,659 | 2,111,894 |
| Third party services | 6,888,833 | 2,707,762 | 2,590,226 | 1,054,630 |
| Materials | 2,326,975 | 1,875,476 | 859,341 | 688,765 |
| Security services | 1,987,202 | 1,489,281 | 721,674 | 516,512 |
| Accrual of provision on obsolete and slow- moving inventories | 233,252 | 393,285 | (38,905) | (48,567) |
| Other | 4,167,970 | 3,628,739 | 2,270,252 | 2,177,407 |
| Total cost of sales | 260,857,081 | 247,454,942 | 86,995,962 | 76,420,374 |

18 General and Administrative Expenses

| <i>In thousands of Kazakhstani Tenge</i> | Nine months ended 30 September | | Three months ended 30 September | |
|--|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| Payroll and related expenses | 8,285,017 | 6,754,896 | 2,794,056 | 2,065,259 |
| Charity | 823,878 | - | - | - |
| Depreciation of property, plant and equipment and amortisation of intangible assets | 800,676 | 761,400 | 260,175 | 259,307 |
| Consulting and other professional services | 735,152 | 563,326 | 351,008 | 213,216 |
| Software maintenance | 473,863 | 443,160 | 153,891 | 150,824 |
| Travel expenses | 264,305 | 189,440 | 75,617 | 57,223 |
| Materials | 230,380 | 167,848 | 69,127 | 62,728 |
| Repair and maintenance | 191,949 | 132,010 | 71,166 | 61,860 |
| Taxes other than on income | 165,286 | 210,178 | 26,283 | 79,169 |
| Security services | 137,374 | 374,693 | 46,745 | 125,926 |
| Government fees | (848,145) | 164,951 | (799,954) | 56,535 |
| Other | 1,604,365 | 1,506,483 | 562,947 | 453,479 |
| Total general and administrative expenses | 12,864,100 | 11,268,385 | 3,611,061 | 3,585,526 |

19 Finance Income

| | Nine months ended 30 September | | Three months ended 30 September | |
|--|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| <i>In thousands of Kazakhstani Tenge</i> | | | | |
| Interest income on bank deposits and other financial instruments | 4,926,956 | 2,732,438 | 1,471,410 | 712,695 |
| Income from unwinding of discount on loans receivable and bonds | 1,180,357 | 665,150 | 897,152 | 155,437 |
| Income from unwinding of discount on long-term receivables | 34,856 | 412,680 | 10,417 | 168,066 |
| Gain on initial recognition of the borrowings | - | 1,089,771 | - | 6,576 |
| Foreign exchange income | - | 48,656 | - | 268,539 |
| Other | 248,715 | 309,077 | 174,827 | - |
| Total finance income | 6,390,884 | 5,257,772 | 2,553,806 | 1,311,313 |

20 Finance Costs

| | Nine months ended 30 September | | Three months ended 30 September | |
|--|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| <i>In thousands of Kazakhstani Tenge</i> | | | | |
| Interest expense on borrowings and bonds | | | | |
| - interest at nominal rate | 12,747,157 | 10,543,895 | 4,113,361 | 2,965,228 |
| - unwinding of discount | 5,595,056 | 5,157,204 | 1,911,247 | 1,781,862 |
| Unwinding of the present value of discount | | | | |
| - asset restoration provision (Note 13) | 2,094,516 | 1,437,526 | 734,050 | 262,037 |
| - employee benefit | 178,100 | 165,636 | 61,350 | 51,388 |
| Other | 1,528,073 | 918,867 | 457,084 | 300,735 |
| Total finance costs | 22,142,902 | 18,223,128 | 7,277,092 | 5,361,250 |

21 Income Tax

| | Nine months ended 30 September | | Three months ended 30 September | |
|--------------------------------------|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2024 | 2023 (restated) | 2024 | 2023 (restated) |
| <i>В тысячах казахстанских тенге</i> | | | | |
| Current income tax expense | 27,154,605 | 16,786,047 | 7,776,894 | 5,279,306 |
| Deferred income tax benefit | (3,732,123) | (4,640,677) | (710,786) | (1,255,208) |
| Total income tax expense | 23,422,482 | 12,145,370 | 7,066,108 | 4,024,098 |

22 Contingencies, Commitments and Operating Risks

In addition to the information below, as of 30 September 2024 there were no contingent and contractual liabilities and operational risks other than those disclosed in the consolidated financial statements for the year ended 31 December 2023.

Tax Legislation

From July 2020, the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter - "SRC") launched a pilot project to introduce horizontal monitoring. In 2021-2022 SRC, as part of a pilot project on horizontal monitoring, inspected the historical data of the EGRES-1 and Samruk-Energy (Head office) for the five years period. Based on the results, SRC completed tax audits and issued acts with the results of tax audit. The main non-compliances relate to the interest expense deducted for tax purposes and underaccrual of withholding tax. The Group expressed its disagreement, lawsuits and complaints were filed with the courts and the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan. In December 2023, the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan made a decision in respect to the Head office in favor of the Group. On August 14, 2024, the Supreme Court made a decision regarding the deduction of interest on loans allocated for the Restoration of the power unit No. 1 and for the repayment of dividend obligations, in favor of EGRES-1. The decision also addressed the deduction of interest on loans allocated for the purchase of bonds, in favor of the tax authority. As a result, EGRES-1 paid a fine and penalty in the amount of 502 million tenge against previously accrued reserve.

Environmental matters

At present, environmental legislation is being tightened in the Republic of Kazakhstan and the review of the position of Kazakhstani state bodies regarding its enforcement continues. In 2021, a new environmental code came into force in the Republic of Kazakhstan, which regulates social relations in the field of interaction between man and nature (environmental relations) arising in connection with the implementation by individuals and legal entities of activities that have or can have an impact on the environment. In addition to increasing the responsibility of industrial enterprises for environmental pollution, the Code also provides for the introduction of a waste management hierarchy and prescribes requirements for the elimination of the consequences of activities.

The provisions of this code oblige the receipt of comprehensive environmental permits (hereinafter referred to as "IEP") from 2025 for fifty objects of category I, the largest in terms of total emissions of pollutants into the environment (hereinafter referred to as "TOP-50"), the basis for which is the implementation of production of the best available techniques associated with the use of the best available techniques (hereinafter referred to as "BAT"), issued by the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan. The list of TOP-50 included four objects of Samruk-Energy JSC: EGRES-1 LLP, SEGRES-2 JSC, AIES JSC (CHP-2, CHPP-3). By protocol order dated 12 December 2023, the Group's entities developed Roadmaps for obtaining an Integrated Environmental Permit and preliminary Projects of Programs for Improving Environmental Efficiency. Currently, the Group's enterprises are searching for technologies to reduce the environmental impact in the energy industry.

The resolution of the Government of the Republic of Kazakhstan dated 11 March 2024 was adopted for energy-producing organizations. No. 161 "On approval of conclusions on the best available techniques "Mining and beneficiation of iron ores (including other ores of ferrous metals)", "Mining and beneficiation of ores of non-ferrous metals (including precious)", "Oil and gas processing", "Burning of fuel in large installations for the purpose of energy production", "Production of ferroalloy", in which technological indicators applicable to flue gases are established according to the main marker substances (dust, nitrogen oxides and sulfur). According to the above-mentioned document, the technological indicators of the emissions of polluting substances of Group are in line with the established norms, except for dust and slightly nitrogen oxides in GRES-1. In this regard, measures to reduce dust and nitrogen oxides (GRES-1) will be included in the Environmental Efficiency Improvement Program.

Currently, the Group's management is assessing the impact of the introduction of BAT on the cost of future operating and capital costs, since the return on investment for the implementation of BAT through the marginal tariff will lead to distortions in the marginal tariffs for electricity.

Also, the Kazakhstan Electric Power Association, together with energy producing organizations of Kazakhstan, initiated proposals to postpone the implementation of BAT with the receipt of an Integrated Environmental Permit from 2025 to 2031.

Other provisions of this Code applicable to certain Group entities include the installation of automated emission monitoring systems and waste management practices. Until a full assessment is made, it is not possible to assess the financial implications of the new requirements of Kazakhstan's new environmental code, but an increase in the cost of complying with environmental requirements is expected in the form of additional investments.

22 Contingencies, Commitments, and Operating Risks (Continued)

According to the norms of the environmental code, all enterprises have obligations to eliminate the consequences of the operation of facilities causing negative environmental impact, but the requirements for liquidation of the consequences depend on the category of industrial enterprises and construction projects, which are determined depending on the nature of facilities, degree of environmental impact and the scope of activities of enterprises. In 2022 the Group has recognized additional asset retirement obligations in relation to the elimination of the consequences of the operation of its facilities.

The Law of the Republic of Kazakhstan "On Amendments and Additions to Some Legislative Acts of the Republic of Kazakhstan on Thermal Energy, Energy and Regulated Services" signed by the President of the RoK on 8 July 2024 No. 121-VIII ZRK. Amendments and additions were made to the Environmental Code of the RoK regarding the financial security for the liquidation of the consequences of the activities of the I category objects. The deadline for the formation of financial security has been moved from 1 July 2024 to 1 July 2026.

The Group periodically evaluates its obligations related to environmental protection at least on an annual basis. As liabilities are identified, they are promptly recognized in the financial statements. Potential liabilities that may arise as a result of changes in existing laws and regulations, as well as a result of judicial practice, cannot be estimated with a sufficient degree of reliability, although they may be significant. The Group's management believes that in the current system of control over compliance with applicable environmental laws, there are no significant liabilities arising from environmental damage, except for those recognised or disclosed in these financial statements.

Under the environmental exemption, the Group is legally obligated to acquire additional greenhouse gas emissions allowances. The volume of greenhouse gas emissions for the Group was determined based on the projected production of electricity and greenhouse gas emissions coefficient per unit of production till 2025. Due to the growth in electricity consumption in the country and for the purpose of uninterrupted and reliable power supply to consumers, the generating capacities of EGRES-1 were used in full, which led to an increase in electricity generation and a shortage of quotas for greenhouse gas emissions in 2023 and 2022. For 2023, the entire existing greenhouse gas deficit is covered by obtaining additional quotas from the authorized body in the field of environmental protection. Due to the increase in the capacity of the EGRES-1 plant, a deficit of the quota is expected in 2024. As at 30 September 2024, the Group has sufficient provision to purchase of additional quotas for the emission of greenhouse gases for 2024.

Modernisation of Almaty CHP-2 with the minimization of the environmental impact

During the first half of 2024 the following activities have been carried out within the framework of the project:

- On 13 June 2024, an application was sent to the EBRD to receive the first tranche in the amount of Tenge 21.2 billion for the purpose of financing the project (Note 24).
- On 19 June 2024, the Law on the inclusion of heating portion in the electricity tariff was signed by the President of the RoK and published.

Modernisation of Almaty CHP-3

During the first half of 2024 the following activities have been carried out within the framework of the project:

- On 16 February 2024, by the Order of the acting Minister of Energy of the RoK approved the Rules for organizing auctions, which increase the commissioning period from 36 to 48 months. As of today, corporate procedures are being carried out to sign a contract of agreement with RFC LLP.
- On 20 February 2024, the EPC contractor signed an agreement with Ansaldo Energia (Italy) for the supply of 2 gas turbine units from February 2025 till May 2025.
- On 17 May 2024, the EPC contractor signed a Slot Reservation Agreement with Dongfang Electric International Corporation for the supply of steam turbines with generators.
- On 20 June 2024, the EPC contractor signed an Agreement with Dongfang Electric International Corporation for the supply of steam turbines with generators.
- On 28 June 2024, the EPC contractor signed an Agreement with ZIO Podolsk for the supply of a waste heat boiler.

22 Contingencies, Commitments, and Operating Risks (Continued)

Compliance with covenants

The Group has certain covenants on borrowings. Failure to comply with these covenants may result in negative consequences for the Group, including the growth of borrowing costs and the announcement of the default. As of 30 September 2023, the Group was in compliance with its covenants, except for the Group's joint venture – Bogatyr Komir LLP.

As of 30 September 2024 Bogatyr Komir did not comply with covenant on Debt Service Coverage Ratio and Net Debt/EBITDA on a loan with Eurasian Development Bank. A request was sent to the Eurasian Development Bank to obtain a waiver for breach of these financial covenants. A positive decision is expected in the near future. The breach of covenants by Bogatyr Komir LLP does not affect the classification of the Group's loans. The management expects the compliance with this covenant at year end.

Legal proceedings

In the normal course of business, the Group may be subject to legal proceedings and claims. Currently, the Group's management believes that final liabilities as a result of these legal proceedings and claims will not cause any significant negative impact on the Group's future financial position.

Investigation of the Prosecutor of the Pavlodar region of EGRES-2

In 2024, the prosecutor's office of the Pavlodar region carried out an inspection of JSC " Ekibastuzskaya GRES-2 Station 2" for the efficiency of expenditure and targeted use of funds allocated for the implementation of the project "Expansion and reconstruction of the GRES with the installation of power unit No. 3." The management of EGRES-2 has developed a "road map for considering the issues set out in the Submission on Elimination of Violations and the Certificate of the Results of the Prosecutor's Office Inspection." According to the report, all transactions were carried out within the framework of the legislation as a whole, in this regard, the Group's management concluded that this event does not have a material impact on the issue of condensed consolidated interim financial statements as at 30 September 2024.

Investigation of the Agency for Protection and Development of Competition of the Republic of Kazakhstan of EGRES-1

During 2023 at EGRES-1 LLP the Agency for the Protection and Development of Competition of the Republic of Kazakhstan (hereinafter referred to as "AZRK") conducted an inspection on the issue of unjustified refusal to sell goods if, at the time of application, there is a possibility of selling the relevant goods, which led to the elimination of competition in centralized bidding on the market for services to maintain the readiness of electrical power. According to the AZRK of the Republic of Kazakhstan, in the period from 2019 to 2022, EGRES-1, taking part in centralized auctions of electrical capacity, due to refusal to compete, did not sell at the auction the entire amount of capacity specified in the application, thereby deliberately refusing to compete with other EPOs and creating imaginary competition with bidders.

EGRES-1 sold power capacity at the approved tariff in accordance with the Rules for the Organization and Operation of the Electric Power Market (approved by Order of the Minister of Energy of the Republic of Kazakhstan dated 27 February 2015 No. 152) and completely disagrees with the Order of the Antimonopoly Authority. In February 2024 EGRES-1 sent a statement of claim to the Specialized Interdistrict Administrative Court of Astana to challenge decisions, actions of administrative bodies, officials on antimonopoly disputes, which was accepted for proceedings. In May 2024, the Specialized Interdistrict Administrative Court of Astana issued a decision to satisfy the claim, ruling that Order № 307-OD dated 13 December 2023 is illegal. On 11 July 2024, the decision of the Specialized Interdistrict Administrative Court of Astana entered into force.

Capital commitments

The Group reviewed its exposure to seasonal and other emerging business risks and did not identify any risks that could affect the financial performance or position of the Group as of 30 September 2024. The Group has sufficient financial resources to fulfil its capital commitments and ensure the availability of working capital. As at 30 September 2024, the Group had contractual commitments to purchase the property, plant and equipment for Tenge 568,967,522 thousand (31 December 2023: Tenge 530,059,552 thousand).

Capital commitments of joint ventures and associates

As at 30 September 2024, the Group's share in capital expenditure commitments of Forum Muider and SEGRES-2 comprised of Tenge 3,608,335 and 576,353,194 thousand respectively.

23 Fair Value Disclosures

To be indicative of the reliability of the data used in determining fair value, the Group classifies its financial instruments at three levels established in accordance with IFRS. 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 or indirectly (that is, as prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Fair values analysed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | | | | 31 December 2023 | | | |
|--|-------------------|--------------------|------------|--------------------|------------------|--------------------|------------|--------------------|
| | Level 1 | Level 2 | Level 3 | Carrying amount | Level 1 | Level 2 | Level 3 | Carrying amount |
| Assets | | | | | | | | |
| Cash and cash equivalents | - | 64,598,853 | - | 64,598,853 | - | 43,331,166 | - | 43,331,166 |
| Restricted cash | - | 576,617 | - | 576,617 | - | 549,735 | - | 549,735 |
| Term deposit | - | 2,943 | - | 2,943 | - | 1,673 | - | 1,673 |
| Financial receivables | - | 77,121,614 | - | 77,121,614 | - | 66,341,581 | - | 66,341,581 |
| Other financial receivables | - | 288,572 | - | 284,533 | - | 359,205 | - | 359,205 |
| Dividends receivable | - | - | 510 | 510 | - | - | 481 | 481 |
| Debt financial instruments | - | 11,312,724 | - | 11,317,628 | - | 4,866,859 | - | 4,866,859 |
| Total financial assets | - | 153,901,323 | 510 | 153,902,698 | - | 115,450,219 | 481 | 115,450,700 |

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | | | | 31 December 2023 | | | |
|--|-------------------|--------------------|----------------|--------------------|------------------|--------------------|---------------|--------------------|
| | Level 1 | Level 2 | Level 3 | Carrying amount | Level 1 | Level 2 | Level 3 | Carrying amount |
| Liabilities | | | | | | | | |
| Borrowings | - | 300,515,770 | - | 323,720,650 | - | 246,621,133 | - | 270,194,079 |
| Financial payables | - | 39,479,862 | - | 39,479,862 | - | 57,535,592 | - | 57,535,592 |
| Rent | - | 1,801,196 | - | 1,801,196 | - | 2,533,117 | - | 2,533,117 |
| Non-current trade payables | - | - | 178,541 | 178,541 | - | - | 33,799 | 33,799 |
| Total financial liabilities | - | 341,796,828 | 178,541 | 365,180,249 | - | 306,689,842 | 33,799 | 330,296,587 |

Fair value of investment property

In accordance with the Group's management plan regarding the Property Complex of the Bukhtarma HPP and current lease rates, the Group assessed the fair value the investment property in the amount of Tenge 76,866,203 thousand (Level 3). Discount rate was 15.55%.

Financial assets carried at amortised cost

The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on the credit risk of the counterparty.

Financial liabilities carried at amortised cost

The estimated fair value of instruments with a fixed interest rate and a fixed maturity date for which no market quotes are available is determined on the basis of estimated cash flows discounted at current interest rates for new instruments with similar credit risk and maturity.

24 Events after the Reporting Period

On 10 October 2024, the Group acquired bonds of Samryk-Kazyna JSC in the amount of Tenge 12,000,000 thousand. The coupon rate is floating and is calculated using the formula: the base rate of the National Bank of Kazakhstan plus 0.75%. The duration of the bonds is 13 months from the date of issuance.

On 31 October 2024, contributions to the share capital of Kokshetau CHP LLP in the amount of Tenge 2,007,000 thousand was made.

25 Carrying Value of One Share

Pursuant to the resolution of the Exchange Council of Kazakhstan Stock Exchange JSC ("KASE") dated 4 October 2010, the consolidated financial statements should contain data on the carrying amount of one share (ordinary and preference) at the reporting date calculated in accordance with the rules approved by KASE. At 30 September 2024, this indicator calculated by the Group's management based on the condensed consolidated interim financial statements amounted to Tenge 109,951 (31 December 2023: Tenge 109,006). The table for calculating the carrying amount of one share is as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 30 September 2024 | 31 December 2023 |
|--|--------------------------|-------------------------|
| Total assets | 1,259,225,482 | 1,147,518,441 |
| Less: intangible assets | (4,073,763) | (3,873,844) |
| Less: total liabilities | (490,743,675) | (455,602,222) |
| Net assets for ordinary shares | 764,408,044 | 688,042,375 |
| Number of ordinary shares at period end date | 6,952,267 | 6,311,967 |
| Carrying amount of one share, Tenge | 109,951 | 109,006 |