JSC Social-Entrepreneurial Corporation Almaty

Consolidated financial statements

As at 31 December and for the year ended 31 December 2024, with the independent auditor's report

JSC Social-Entrepreneurial Corporation Almaty

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JSC Social-Entrepreneurial Corporation Almaty

Statement of management's responsibilities for the preparation and approval of the consolidated financial statements as at and for the year ended 31 December 2024

The following statement, which should be read in conjunction with the description of the auditors' responsibilities contained in the independent auditors' report presented, is made to distinguish the auditors' responsibilities with respect to the consolidated financial statements of JSC Social-Entrepreneurial Corporation Almaty and its subsidiaries (hereinafter referred to as the Group).

The Group's management is responsible for the preparation of consolidated financial statements that present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the period then ended, in accordance with International Financial Reporting Standards (hereinafter - IFRS).

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

- ensuring the correct selection and application of accounting policies;
- presentation of information, including accounting policy data, in a form that ensures the relevance, reliability, comparability and understandability of such information;
- disclosure of additional information in cases where compliance with the requirements of IFRS is not sufficient to enable users of the financial statements to understand the impact that certain transactions, as well as other events or conditions, have on the financial position and financial performance of the Group;
- assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls for the Group;
- Maintaining adequate records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group, and which enable them to ensure that the consolidated financial statements of the Group comply with IFRS;
- accounting in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonable steps to safeguard the assets of the Group; and
- identification and prevention of financial and other abuses.

These consolidated financial statements for the year ended 31 December 2024 were approved by the Group's management on 26 March 2025 and signed on its behalf by:

Aldazharov E.K.

Deputy Chairman of the Board

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

Russell Bedford
taking you further

INDEPENDENT AUDITOR'S REPORT

To the shareholder and management of JSC Social-Entrepreneurial Corporation Almaty

Opinion

We have audited the consolidated financial statements of JSC Social-Entrepreneurial Corporation Almaty and its subsidiaries (hereinafter - the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, as well and notes to the consolidated financial statements, including a summary of the key accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, as well as its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

Basis for expressing 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 Consolidated Financial Statements section* of our report. We are independent of the Group in accordance with the International *Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 International Standards on Auditing 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 consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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 Group'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 going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation , structure and content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that achieves fair presentation.

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

Badambaeva Saule
Audit Partner
IAC Russell Bedford A+ Partners LLP
Auditor's qualification certificate No. МФ-0000720 dated 10 January 2019

Sholpanay Kudaibergenova
General Director
IAC Russell Bedford A+ Partners LLP
State license for engage audit activity No. 18013076, issued by the Internal State Audit Committee of the Ministry of Finance of the Republic of Kazakhstan on 3 July 2018

Almaty, Republic of Kazakhstan

26 March 2025

JSC Social-Entrepreneurial Corporation Almaty

Consolidated statement of financial position as at 31 December 2024

KZT'000	Note:	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	12,384,885	12,092,405
Investment property	6	7,010,754	5,904,628
Intangible assets		197,942	215,840
Long-term financial assets	7	22,671,001	15,668,371
Investment securities		32,211	62,739
Long-term receivables	8	47,494,045	43,502,738
Deferred tax assets	24	67,478	-
Other long-term assets	9	5,618,732	7,704,213
Total non-current assets		**95,477,048**	**85,150,934**
Current assets			
Inventories	10	31,729,280	10,492,396
Trade and other receivables	8	5,159,036	453,662
Short-term financial assets	7	2,199,791	2,758,160
Current income tax assets		2,068,355	9,570
Prepayments and other short-term assets	11	27,372,043	9,154,904
Reverse repurchase agreements	12	7,248,580	11,728,105
Cash and cash equivalents	13	70,178,560	69,727,029
Total current assets		**145,955,645**	**104,323,826**
TOTAL ASSETS		**241,432,693**	**189,474,760**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	193,351,569	193,351,569
Treasury shares	14	(22,356,100)	(21,051,538)
Retained earnings		7,464,500	(562,047)
Total equity		**178,459,969**	**171,737,984**
Non-current liabilities			
Long-term borrowings	15	2,904,495	7,709,313
Other long-term liabilities	16	246,729	214,628
Deferred tax liabilities	24	-	96,195
Total non-current liabilities		**3,151,224**	**8,020,136**
Current liabilities			
Short-term borrowings	15	6,230,608	4,240,207
Trade and other payables	17	5,156,132	3,452,692
Taxes and fees payable		143,663	65,043
Current income tax liabilities		181,000	1,811,399
Contract liabilities	16	48,110,097	147,299
Total current liabilities		**59,821,500**	**9,716,640**
Total liabilities		**62,972,724**	**17,736,776**
TOTAL EQUITY AND LIABILITIES		**241,432,693**	**189,474,760**

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

Aldazharov E.K.

Deputy Chairman of the Board

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

26 March 2025

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

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Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

KZT'000	Note:	Year ended 31 December 2024	Year ended 31 December 2023
Revenue from contracts with customers	18	9,171,030	5,968,099
Cost of sales	19	(8,769,944)	(3,769,918)
Gross profit		**401,086**	**2,198,181**
Selling expenses		(396,436)	(135,850)
Administrative expenses	20	(3,232,671)	(3,550,058)
Net finance income/(costs)	21	10,408,913	(16,291,041)
Net other income/(expenses)		1,025,515	90,233
Net gain on disposal of property	22	178,534	31,151,626
Share of net loss of associates		-	(36,363)
Net foreign exchange (loss)/gain		(23)	2,579,685
Net impairment losses/(gains) on financial and non-financial assets	23	(148,764)	3,038,202
Profit before tax		**8,236,154**	**19,044,615**
Income tax expense	24	(235,803)	(7,916,328)
Net profit for the year		**8,000,351**	**11,128,287**
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**8,000,351**	**11,128,287**

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

Aldazharov E.K.

Deputy Chairman of the Board

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

26 March 2025

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

JSC Social-Entrepreneurial Corporation Almaty

Consolidated statement of cash flows for the year ended 31 December 2024

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Cash flows from operating activities		
Cash received from customers	4,288,784	40,408,102
Advances received from customers	46,646,650	36,504,948
Guarantee deposits received	29,338	50,657
Proceeds from repayment of loans issued	5,409,191	4,587,832
Interest received on loans issued	1,245,973	2,109,429
Other receipts	74,484	2,579,849
Loans issued	(12,495,253)	(8,132,410)
Cash paid to suppliers	(46,276,004)	(106,103,017)
Cash paid to employees	(2,115,350)	(1,985,867)
Other taxes and social security taxes paid	(1,048,228)	(1,183,544)
Income tax paid	(3,965,228)	(6,223,250)
Guarantee deposits refunded	(493,367)	-
Interest paid	(1,477)	(463,681)
Other cash payments	(17,948)	(18,358)
Net cash used in operating activities	**(8,718,435)**	**(37,869,310)**
Cash flows from investing activities		
Proceeds from repayment of loans issued	4,152,148	8,558,462
Proceeds from repayment of financing provided to third parties	2,473,184	8,839,764
Sale of property, plant and equipment and investment property	-	5,215,915
Interest received	659,861	1,521,165
Other receipts	-	223,930
Loans issued	(5,586,844)	(5,866,866)
Purchase of property, plant and equipment, investment property and intangible assets	(1,035,538)	(390,072)
Net cash flows from reverse repurchase agreements	10,023,059	(11,053,400)
Net cash from investing activities	**10,685,870**	**7,048,898**
Cash flows from financing activities		
Repayment of borrowings	(8,000,000)	(8,820,000)
Proceeds from borrowings	6,500,000	-
Proceeds from issue of shares	-	6,000,000
Net cash used in financing activities	**(1,500,000)**	**(2,820,000)**
Net increase/(decrease) in cash and cash equivalents	467,435	(33,640,412)
Change in allowance for expected credit losses	(15,900)	44,539
Effect of changes in foreign exchange rates on cash and cash equivalents	(4)	(174,101)
Cash and cash equivalents at the beginning of the year	69,727,029	103,497,003
Cash and cash equivalents at the end of the year	**70,178,560**	**69,727,029**

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

Aldazharov E.K.
Deputy Chairman of the Board

Alimova B.E.
Chief Accountant - Director of the Accounting and Reporting Department

26 March 2025

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

JSC Social-Entrepreneurial Corporation Almaty

Consolidated statement of changes in equity for the year ended 31 December 2024

KZT'000	Share capital	Treasury shares	Retained earnings	Total equity
As at 1 January 2023	**185,204,314**	**(6,392,998)**	**(10,505,266)**	**168,306,050**
Issue of shares/ Treasury shares purchased	8,201,443	(14,658,540)	-	**(6,457,097)**
Prior period adjustments	(54,188)	-	-	**(54,188)**
Net profit for the year	-	-	11,128,287	**11,128,287**
Other transactions with owners	-	-	(1,846,111)	**(1,846,111)**
Other movements	-	-	661,043	**661,043**
As at 31 December 2023	**193,351,569**	**(21,051,538)**	**(562,047)**	**171,737,984**
Treasury shares sold	-	1,354,305	-	**1,354,305**
Net profit for the year	-	-	8,000,351	**8,000,351**
Treasury shares purchased	-	(2,658,867)	-	**(2,658,867)**
Other movements		-	26,196	**26,196**
As at 31 December 2024	**193,351,569**	**(22,356,100)**	**7,464,500**	**178,459,969**

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

Aldazharov E.K.

Deputy Chairman of the Board

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

26 March 2025

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

1. GENERAL INFORMATION

JSC Social-Entrepreneurial Corporation Almaty and its subsidiaries, collectively referred to as the "Group".

JSC Social-Entrepreneurial Corporation Almaty (hereinafter referred to as the "Company") was initially registered with the Ministry of Justice of the Republic of Kazakhstan on August 27, 2010. On October 8, 2018, the Company was re-registered due to a change in name. Business identification code 100840016104.

The company is registered as a taxpayer by the Department of Justice of Almaty with the assignment of taxpayer registration number 600400621639. The company is registered as a value added tax payer by the tax committee of the Bostandyk district of Almaty, certificate No. 1202376 series 60001 dated October 8, 2018.

The actual and legal address of the Group: 050040, Republic of Kazakhstan, Almaty, Baizakov Street , 303, Block B.

As at 31 December 2024 and at the date of issue of these consolidated financial statements, the sole shareholder of the Group is the Communal State Institution "Almaty City Department of Entrepreneurship and Investment" (the "Shareholder"). The ultimate controlling party of the Group is the Akimat of Almaty city.

The Group operates in the Republic of Kazakhstan. The Group's assets and liabilities are located in the Republic of Kazakhstan.

The Group's main activities are consulting on commercial activities and management, regulation and assistance in the efficient conduct of economic activities, the formation of a regional stabilization fund and the implementation of mechanisms for stabilizing prices of socially significant food products.

On 28 February 2025, Fitch Ratings (Dubai, UAE) affirmed the Group's foreign and national currency default ratings at "BBB-" with a "Stable" outlook.

The following subsidiaries have been included in these consolidated financial statements:

Company/ location	Type of activity	Share of participation	
		31 December 2024	31 December 2023
Almaty Finance LLP/ (Kazakhstan)	Provision of loans for entrepreneurial purposes to small and medium-sized businesses	100%	100%
Almaty Industrial Zone LLP / (Kazakhstan)	Operational management of the Industrial Zone of Almaty city activities	100%	100%
Capital Construction Enterprise of the Akimat of Almaty LLP	Activities relating to the organisation of residential construction by attracting funds from individuals and legal entities (including budgetary entities) for equity participation in housing construction	100%	100%

Microfinance Organisation Almaty LLP ("MFO Almaty LLP") was established under the Almaty Business-2025 regional entrepreneurship development programme. The MFO Almaty LLP provides preferential loans to small and medium-sized enterprises (SMEs) to support their development. MFO Almaty LLP is a subsidiary of Almaty Finance LLP, which holds a 99.999999690% ownership interest.

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2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Statement of Compliance

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Accounting Interpretations Committee ("IAIC") of the IASB.

Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of the initial recognition of financial instruments at fair value.

Going concern principles

The Group's consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and settlement of liabilities and liabilities in the normal course of business.

Therefore, the Group's management does not identify conditions or events that could significantly affect the Group's ability to continue as a going concern. These consolidated financial statements do not include any adjustments that would be required if the Group were unable to continue as a going concern.

Basis for the preparation of consolidated financial statements

Consolidated financial statements must be presented by a group of companies, including the parent company, entities under its control and entities over which the Group has significant influence.

The consolidated financial statements include the financial statements of the parent company and its subsidiaries as at 31 December 2024. Control is exercised when the Group is exposed to, or has rights to, variability in returns from its involvement with an investee, as well as the ability to influence those returns through the exercise of its power over the investee.

The consolidated financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies and notes to these consolidated financial statements.

The consolidated financial statements are presented in Kazakhstani tenge (KZT) and all monetary amounts are rounded to the nearest thousand tenge, unless otherwise stated.

These consolidated financial statements have been prepared on the accrual basis. Transactions and events are recorded and included in the consolidated financial statements in the period to which they relate. The accrual basis is achieved by recognising the results of business transactions, as well as events that are not the result of the Group's business activities but affect its financial position, when they occur, regardless of when they are paid.

All elements of the consolidated financial statements are presented as line items in the accompanying consolidated statement of financial position and consolidated statement of comprehensive income. The combination of several elements of the financial statements into one line item is made taking into account their characteristics in the Group's operations.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

The consolidated financial statements include all transactions and events that meet the definition of elements of financial statements and the conditions for their recognition. The Group has reasonable assurance that any economic benefit associated with an item will be received or lost, and the item has a cost or value that can be measured reliably. The presentation and classification of items in the consolidated financial statements are maintained from one period to the next.

Changes in accounting policies and presentation

The accounting policies adopted in preparing the consolidated financial statements are consistent with those applied in preparing the Group's consolidated annual financial statements for the year ended 31 December 2024. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS

New and amended IFRS standards that came into effect this year:

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Related to Supplier Financing Arrangements

The Group applied the amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures related to supplier financing arrangements for the first time in the current reporting period.

The amendments introduce a disclosure objective in IAS 7 that requires an entity to provide information about its supplier financing arrangements that enables users of its financial statements to evaluate the effect of those arrangements on the entity's liabilities and cash flows.

In addition, IFRS 7 was supplemented by a provision that supplier financing arrangements are included in the list of factors requiring disclosure of information about liquidity concentration risk.

The amendments contain specific transitional provisions that are effective in the first annual reporting period in which the Group first applies the amendments. Under these transitional provisions, an entity is not required to disclose:

- comparative information for reporting periods prior to the first period in which the amendments are applied;
- the information required by paragraphs of IAS 7:44H(b)(ii)–(iii) at the beginning of the first reporting period in which the entity first applies those amendments.

During the current year, the Group has adopted a number of amendments to IFRS standards issued by the International Accounting Standards Board (IASB), which are mandatory for application from 1 January 2024. These amendments did not have a significant impact on the disclosures presented or the amounts reported in the consolidated financial statements.

Amendments to IAS 1 Classification of Liabilities as Current or Non-Current

The Group first applied the amendments to IAS 1 issued in January 2020.

The amendments relate solely to the presentation of liabilities as current or non-current in the statement of financial position and do not affect the recognition of assets, liabilities, income or expenses, or the disclosures that are made about those items.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS (continued)

The amendments clarify that the classification of liabilities as current or non-current is based on rights existing at the end of the reporting period, rather than on the expectation that the entity will exercise its right to defer settlement of the liability. They also clarify that rights are considered to exist if the entity complies with covenants at the end of the reporting period, and define settlement as the transfer of cash, equity instruments, other assets, or services to the counterparty.

Amendments to IAS 1 Financial Reporting – Non-current Liabilities with Covenants

The Group first applied the amendments to IAS 1 issued in November 2022.

The amendments state that only those covenants that an entity is required to comply with before or at the end of the reporting period affect the entity's right to defer settlement of an obligation for at least twelve months after the reporting date (and, accordingly, should be taken into account when classifying liabilities as current or non-current). These covenants affect whether an entity has a corresponding right at the end of the reporting period even if actual compliance with the covenant is assessed only after the reporting date (for example, if the covenant relates to the entity's financial position at the reporting date but compliance is tested only subsequently).

The IASB also clarified that if an entity is required to comply with a covenant only after the reporting period, its right to defer settlement of the liability for more than 12 months after the reporting date is not at risk. However, if an entity's right to defer settlement of the liability is contingent on the entity satisfying covenants for twelve months after the reporting period, the entity must disclose information that enables users of the financial statements to understand the potential risk of early settlement of the liabilities. Such information should include: a description of the covenants (their nature and timing of compliance); the carrying amount of the related liabilities; and factors and circumstances that indicate potential difficulties in satisfying the covenants.

Amendments to IFRS 16 Leases – Lease Liabilities in Sale and Leaseback Transactions

The Group applied the amendments to IFRS 16 for the first time in the current reporting period.

The amendments to IFRS 16 introduce requirements for the subsequent measurement of lease liabilities in sale and leaseback transactions that meet the sale recognition criteria in accordance with IFRS 15 Revenue from Contracts with Customers. The amendments require the selling lessee to determine the lease payments or revised lease payments so as to eliminate the recognition of a gain or loss relating to any retained right to use the asset after the commencement date of the lease.

The amendments do not affect the gain or loss recognised by a seller-lessee on the partial or complete termination of a lease. Without the requirements, a seller-lessee might recognise a gain on the right of use retained solely due to the restatement of the lease liability (for example, due to a change in the terms of the lease). This is particularly relevant in the case of sale-leaseback transactions involving variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB also amended one of the illustrative examples in IFRS 16 and added a new example that shows the subsequent measurement of assets and liabilities in sale and leaseback transactions that include variable lease payments. The examples also clarify that the liability arising from a sale and leaseback that qualifies as a sale in accordance with IFRS 15 is a lease liability.

The amendments are applied retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

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3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS (continued)

New and revised IFRS standards issued but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not adopted the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IAS 21 Restrictions on Currency Convertibility

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 19 Subsidiaries without Public Accounts: Disclosures

The Group's management does not expect that the application of these standards will have a material impact on the Group's consolidated financial statements in future reporting periods, except in the following circumstances.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Limitations on Currency Convertibility

The amendments clarify how to assess whether a currency is convertible and how to determine the exchange rate if it is not.

Under the amendments, a currency is considered convertible into another currency if the entity can obtain the other currency within a time frame that allows for normal administrative delay and through a market or exchange mechanism in which the transaction creates enforceable rights and liabilities.

An entity evaluates the convertibility of a currency at a particular point in time and for a particular purpose. If the entity can obtain no more than an insignificant amount of another currency at the assessment date for that purpose, the currency is considered inconvertible.

The assessment of convertibility is based on the entity's ability to obtain another currency, rather than on its intention or decision to make an exchange.

If the currency is not convertible, the entity shall estimate the appropriate spot rate at the measurement date. The objective of estimating the spot rate is to determine an exchange rate that reflects the price level at which an orderly transaction could be effected between market participants in the current economic environment.

The amendments do not prescribe a specific method for measuring the spot rate, but an entity may use an unadjusted observable exchange rate or another measurement method. Examples of observable rates include:

- a spot rate for a purpose other than that for which convertibility is assessed;
- the first exchange rate at which an organization was able to obtain another currency after convertibility was restored.

When using another valuation method, an entity may use any observable exchange rate (for example, rates transacted in markets or through mechanisms that do not create enforceable rights and liabilities) and adjust that rate as necessary to achieve the objective of estimating the spot rate.

If an entity measures spot rates in a currency non-convertibility environment, it shall disclose information that enables users of the financial statements to understand how the lack of convertibility affects or could affect the entity's financial performance, financial position and cash flows.

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3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS (continued)

The amendments include a new appendix to IAS 21 that provides guidance on applying the new requirements, as well as illustrative examples to demonstrate their application in hypothetical situations.

The IASB also made consequential changes to IFRS 1 to align it with the revised version of IAS 21 in relation to the assessment of convertibility.

The amendments are effective for annual periods beginning on or after 1 January 2025, with earlier application permitted. Retrospective application of the amendments is not permitted; instead, entities must follow specific transitional provisions.

The Group's management expects that the application of these amendments may have an impact on the Group's consolidated financial statements in the future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, leaving most of the requirements of IAS 1 unchanged. The new standard adds additional requirements. In addition, some items from IAS 1 have been transferred to IAS 8 and IFRS 7. There have also been minor changes to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements:

- present certain categories and subtotals in the income statement;
- disclose management reporting metrics (MPM) in the notes to the financial statements;
- improve the principles of aggregation and disaggregation of information.

An entity shall apply IFRS 18 for annual periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33 and the revised IAS 8 and IFRS 7 are effective when IFRS 18 is applied. IFRS 18 requires retrospective application, except for transitional provisions as provided.

The Group's management expects that the application of these amendments may have an impact on the Group's consolidated financial statements in the future.

IFRS 19 Subsidiaries without Public Accounts: Disclosures

IFRS 19 provides an option for qualifying subsidiaries to apply reduced disclosure requirements when preparing financial statements in accordance with IFRS.

A subsidiary is entitled to abbreviated disclosures if it does not have publicly available financial statements or if its ultimate or intermediate parent prepares consolidated financial statements that comply with IFRS and are available for public use.

The application of IFRS 19 is voluntary for such subsidiaries and regulates the range of information to be disclosed.

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3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS (continued)

An entity may apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (including an intermediate parent company);
- it does not have public reporting;
- its ultimate or intermediate parent company prepares consolidated financial statements that comply with IFRS and are available for public use.

A subsidiary is considered to have public reporting if:

- its debt or equity instruments are traded on a public market or it is in the process of issuing such instruments for trading on a public market (on a national or foreign stock exchange, over-the-counter market, including local and regional markets);

or

- it holds assets in trust on behalf of a broad group of third parties as one of its principal activities (e.g., banks, credit unions, insurance companies, broker/dealers, mutual funds, and investment banks typically meet this criterion).

Entities that are eligible to apply IFRS 19 may apply it in consolidated, separate or individual financial statements. An intermediate parent that does not apply IFRS 19 in its consolidated financial statements may apply it in its separate financial statements.

The new standard is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. If an entity applies IFRS 19 earlier than IFRS 18, it must use the modified set of disclosure requirements in the appendix to IFRS 19. If an entity applies IFRS 19 earlier than the amendments to IAS 21, it is not required to apply the currency inconvertibility disclosure requirements in IFRS 19.

The Group's management does not intend to apply IFRS 19 for the purpose of preparing consolidated financial statements.

The above amendments did not have a material impact on the Group's consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Classification of assets and liabilities into current and non-current

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

- it is intended to be realized or is intended for sale or consumption in the normal course of the operating cycle;
- It is intended mainly for trading purposes;
- it is expected to be implemented within 12 (twelve) months after the end of the reporting period;
- it represents cash or its equivalents, except where there are restrictions on its exchange or use to settle liabilities for at least 12 (twelve) months after the end of the reporting period.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All other assets are classified as non-current. A liability is current (current) if:

- it is expected to be repaid within the normal operating cycle;
- it is held primarily for trading purposes;
- but is subject to repayment within 12 (twelve) months after the end of the reporting period; or
- the Group does not have an unconditional right to defer the settlement of the liability for at least 12 (twelve) months after the end of the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

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. Fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs:

- either in the principal market for the asset or liability;
- or, in the absence of a principal market, in the most favourable market for the asset or liability.

The Group must have access to the principal or most favourable market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best interests. Measuring the fair value of a non-financial asset takes into account

- the ability of a market participant to generate economic benefits either through the best and most efficient use of an asset
- in the most efficient manner, or as a result of its sale to another market participant who will use this asset in the best and most efficient manner.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to permit fair value measurement, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities whose fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy described below, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted market prices in an active market for identical assets or liabilities (without any adjustments);
- Level 2 - valuation models in which the inputs that are significant to the fair value measurement and that are at the lowest level of the hierarchy are directly or indirectly observable in the market;
- Level 3 - valuation techniques for which the lowest level inputs that are significant to the fair value measurement are not observable in the market.

For the purpose of fair value disclosure, the Group has classified assets and liabilities based on their nature, inherent characteristics and risks and the applicable level in the fair value hierarchy as described above.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes costs directly attributable to the purchase of the asset. The cost of assets manufactured or constructed by commercial means includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to its working condition for its intended use, as well as the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

If an item of property, plant and equipment consists of separate components that have different useful lives, each of them is accounted for as a consolidated item (major component) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from its disposal with its carrying amount and is recognized on a net basis in the line "other income" or "other expenses" in net income or loss.

Subsequent costs

Costs associated with replacing a part (major component) of an item of property, plant and equipment increase the carrying amount of that item if it is probable that the Group will receive future economic benefits associated with that part and its cost can be measured reliably. The carrying amount of the replaced part is written off. Expenses for current repairs and maintenance of property, plant and equipment are recognized in income and expenses when incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the expected useful life of the asset until its residual value. Expected useful lives of property, plant and equipment:

	Useful service life, years
Buildings and structures	25-50
Computers and office equipment	4-8
Vehicles	4-8
Other property, plant and equipment	3-4

The expected useful lives and residual values of property, plant and equipment are analyzed as at each reporting date.

Investment property

Property held to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, for use in the production or supply of goods or services, or for administrative purposes. Investment property is recognized at cost less any accumulated depreciation and any accumulated impairment losses. The cost of acquired investment property includes purchase costs and other purchase-related costs.

The actual cost of real estate objects erected (built) by own efforts includes the cost of the real estate on the date of completion of construction. Equipment and fittings that are an integral part of the building are considered part of the investment real estate.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment property is depreciated in accordance with the principles applicable to property, plant and equipment.

Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that the carrying value of its long-lived assets may be impaired. If any such indication is identified, an assessment is made of whether the recoverable amount of the assets may have decreased (if any). If it is impossible to estimate the recoverable amount for an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

Determination of the recoverable amount

The recoverable amount of an asset is determined as the higher of its value in use and the asset's fair value less costs to sell it. In assessing an asset's value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The recoverable amount of assets that do not independently generate cash flows is determined as part of the recoverable amount of the cash-generating unit to which these assets belong.

Reversal of impairment losses

A previously recognized impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method.

Under the equity method, an investment in an associate is initially recognised at cost. The carrying amount of the investment is subsequently adjusted to recognise changes in the Group's share of the net assets of the associate or joint venture that arise after the purchase date.

Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and assessment

Financial assets are classified, at initial recognition, as those subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset and the Group's business model for managing those assets.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Except for trade receivables that do not contain a significant financing component or for which the Group has applied a practical expedient, the Group initially measures financial assets at fair value plus, in the case of financial assets not measured at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied a practical expedient are measured at the transaction price determined in accordance with IFRS 15.

For a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, the contractual terms of the asset must give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding. This assessment is made at the instrument level. The Group's business model for managing its financial assets describes the way in which the Group manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting the contractual cash flows, selling the financial assets, or both.

All purchases and sales of financial assets that require delivery of the assets within the timeframe established by law or in accordance with the rules accepted in a particular market (regular way trading) are recognised on the trade date, i.e. on the date the Group commits to buy or sell the asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into four categories:

- financial assets measured at amortized cost (debt instruments);
- financial assets measured at fair value through other comprehensive income with subsequent reclassification of accumulated gains and losses (debt instruments);
- financial assets designated at the discretion of the entity as measured at fair value through other comprehensive income, without subsequent reclassification of accumulated gains and losses upon derecognition (equity instruments);
- financial assets measured at fair value through profit or loss.

Financial assets measured at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of a financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are subsequently measured using the effective interest method and are subject to impairment requirements. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group classifies trade receivables and loans issued as financial assets measured at amortised cost.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets measured at fair value through other comprehensive income (debt instruments)

The Group measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose purpose is both to collect contractual cash flows and to sell the financial asset;
- the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. For debt instruments measured at fair value through other comprehensive income, interest income, foreign exchange gains and impairment losses or reversals of impairment losses are recognised in the statement of profit or loss and measured in the same way as for financial assets measured at amortised cost. Any remaining changes in fair value are recognised in other comprehensive income. On derecognition, the cumulative amount of changes in fair value recognised in other comprehensive income is reclassified to profit or loss. The Group does not have debt instruments measured at fair value through other comprehensive income.

Financial assets designated at fair value through other comprehensive income (equity instruments) at the discretion of the Group

The Group may irrevocably elect, at initial recognition, to designate investments in equity instruments as measured at fair value through other comprehensive income if they meet the definition of equity in IAS 32 Financial Assets: Presentation and are not held for trading. This designation is made on an instrument-by-instrument basis. Gains and losses on such financial assets are never reclassified to profit or loss.

Financial assets at fair value through profit or loss

The category of financial assets measured at fair value through profit or loss includes financial assets held for trading, financial assets designated at initial recognition as at fair value through profit or loss, or financial assets mandatorily measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets whose cash flows are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model used. Notwithstanding the criteria for classifying debt instruments as measured at amortised cost or fair value through other comprehensive income as described above, the Group may, at initial recognition, designate debt instruments as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value, with net changes in their fair value recognised in the consolidated statement of profit or loss.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Group's consolidated statement of financial position) if:

- the rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows to a third party in full and without material delay, under a "pass-through" arrangement;
- The Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset, or has entered into a pass-through arrangement, it assesses whether and to what extent it has retained the risks and rewards of ownership. If the Group has neither transferred nor retained substantially all the risks and rewards of the asset, nor has it transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In this case, the Group also recognises a corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and liabilities retained by the Group. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group might be required to pay.

Derecognition due to a material modification of the terms of the instruments

The Group derecognises a financial asset (loans issued) if the terms of the contract are renegotiated so that, in substance , it becomes a new loan, and the difference is recognised as a gain or loss on derecognition before any impairment loss is recognised.

At initial recognition, loans are classified in Stage 1 for the purposes of measuring expected credit losses (hereinafter 'ECL'), unless the originated loan is considered a purchased or originated credit-impaired (hereinafter 'POCI') financial asset.

In assessing whether to derecognise financial assets due to a material modification, the Group considers, among other things, the following factors:

- a change in the currency of the loan;
- the addition of an equity component;
- a change in the counterparty;
- whether the modification results in the instrument no longer meeting the SPPI test criteria.

The Group derecognises a financial liability when an existing financial liability is replaced by another from the same lender but with substantially different terms, or the terms of an existing liability are substantially modified. For financial liabilities, the terms are considered substantially different if the present value of the cash flows under the new terms, including fees paid less fees received, discounted at the original effective interest rate (EIR), differs by at least 10% from the discounted present value of the remaining cash flows of the original financial liability.

If the modification does not result in a significant change in the cash flows, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate , the Group recognises a gain or loss on the modification (for financial assets before any impairment loss is recognised).

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

Expected credit losses are recognised in two stages. For financial instruments for which credit risk has not increased significantly since initial recognition, an allowance is created for credit losses expected to arise from defaults within the next 12 months (12-month ECL). For financial instruments for which credit risk has increased significantly since initial recognition, an allowance is created for credit losses expected over the remaining life of the financial instrument, regardless of the timing of defaults (lifetime ECL).

For cash and cash equivalents, the Group calculates 12-month expected credit losses. 12-month expected credit losses are the portion of lifetime expected credit losses that represent expected credit losses that arise from defaults on a financial instrument that are possible within 12 months after the reporting date. However, if the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. A financial asset is also considered to be in default when contractual payments are 90 days past due. However, in certain cases, the Group may conclude that a financial asset is in default if internal or external information indicates that it is unlikely that the Group will collect all outstanding contractual payments, without taking into account credit enhancements held by the Group.

Grouping of financial assets measured on a collective basis

When assessing ECL on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Depending on the factors below, the Group assesses ECL either on an individual or collective basis.

The types of assets for which the Group assesses ECL on an individual basis include:

- all Stage 3 assets regardless of the type of financial assets;
- large and unique instruments in the loan portfolio (more than 5% of the total loan portfolio).

The types of assets for which the Group measures ECL on a collective basis include the following:

- small and standard assets within the portfolio of loans to individuals and legal entities.

The Group combines these financial assets into homogeneous groups based on the following internal and external characteristics:

- product type;
- geographical location of the borrower;
- use of loan proceeds;
- value of the financial instrument.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Based on the process described above, the Group groups financial assets as follows:

Stage 1	Upon initial recognition of a loan, the Group recognises a loss allowance at an amount equal to 12-month ECL. Stage 1 also includes loans for which credit risk has decreased to the extent that they have been transferred from Stage 2.
Stage 2	If the credit risk on loans has increased significantly since initial recognition, the Group recognises a loss allowance at an amount equal to lifetime ECL. Stage 2 also includes loans for which credit risk has decreased to the extent that they have been transferred from Stage 3.
Stage 3	Stage 3 comprises loans that are credit-impaired. The Group recognises a loss allowance at an amount equal to lifetime ECL.
POCI	Purchased or originated credit-impaired (POCI) financial assets are assets that are credit-impaired on initial recognition. POCI financial assets are initially recognised at fair value, and subsequently interest income is recognised based on a credit-adjusted effective interest rate (EIR). An ECL allowance is recognised or reversed only to the extent that there is a subsequent change in the amount of expected credit losses.

If the Group has no reasonable expectation of recovering a financial asset in full or in part, the gross carrying amount of the financial asset must be reduced. Such a reduction is treated as a (partial) derecognition of the financial asset.

Calculation of expected credit losses

The Group calculates ECL based on two probability-weighted scenarios (the "base" and "worst case" scenarios) to estimate expected cash shortfalls, which are discounted using the EIR or its approximation. The cash shortfall is the difference between the cash flows contractually due to the entity and the cash flows the entity expects to receive.

The mechanics of calculating the ECL are described below, and the main elements are as follows:

Probability of Default (PD)	Probability of default (PD) is an estimated measure of the probability of default over a specified time period. A default can only occur at a specific point in time during the period under consideration, provided that the asset has not been derecognised and remains part of the portfolio.
Exposure to default (EAD)	Exposure at Default (EAD) is a calculated estimate of the exposure at default on any future date, taking into account expected changes in that exposure after the reporting date, including principal and interest payments due under the contract or otherwise, repayments of loans granted and interest accrued as a result of late payments.
Loss Given Default (LGD)	Loss given default (LGD) represents an estimated measure of the losses arising in the event of default at a specific point in time. LGD is calculated as the difference between the contractual cash flows and the cash flows that the creditor expects to receive, including those resulting from the sale of collateral. This indicator is usually expressed as a percentage of EAD.

When assessing EAD, the Group considers two scenarios: a base case and an adverse case. The purpose of using multiple scenarios is to model the non-linear impact of assumptions regarding macroeconomic factors on EAD. The 'base case' scenario has a probability of 75%, and the 'adverse case' scenario has a probability of 25%. Separate PD, EAD and LGD figures are established for each of them.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Where appropriate, the multiple scenario assessment also takes into account the manner in which defaulted loans are expected to be recovered, including the likelihood that credit quality will improve, as well as the value of collateral and the amount that could be realized from the sale of the asset.

The maximum period for which expected credit losses are calculated is the contractual life of the financial instrument, unless the Group has a legal right to call the instrument earlier.

Impairment losses and their recoveries are recognised and presented separately from modification gains or losses, which are recognised as an adjustment to the gross carrying amount of financial assets.

Forecasting

In its models for determining ECL, the Group uses a wide range of forecast information as input economic data:

- GDP growth;
- inflation;
- oil prices.

The inputs and models used in calculating ECL do not always reflect all market characteristics at the date of presentation of the consolidated financial statements. To reflect this, qualitative adjustments or overlays are sometimes made as timing adjustments if such differences are material.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, accounts payable or derivatives designated at the Group's discretion as hedging instruments in an effective hedge, as appropriate. All financial liabilities are initially recognized at fair value, less (in the case of accounts payable) directly attributable transaction costs. The Group's financial liabilities include loans, trade and other payables, and finance lease liabilities.

Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification as follows: Financial liabilities at fair value through profit or loss The category "financial liabilities at fair value through profit or loss" includes financial liabilities held for trading and financial liabilities designated at initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred with a view to repurchase in the near term.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss and other comprehensive income. Financial liabilities designated at initial recognition as at fair value through profit or loss are classified in this category at the date of initial recognition only if the criteria in IFRS 9 are met.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Group does not have any financial liabilities designated at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the liability is extinguished, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in their carrying amounts is recognised in the consolidated statement of profit or loss or in other equity.

Offsetting of financial instruments

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

Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion and selling expenses. Net realizable value is based on an estimate of the realizable value less all estimated costs associated with completing, marketing, selling, and delivering the product.

The cost of inventory includes all costs of purchase, processing and other costs, including non-refundable taxes and duties, incurred in bringing the inventory to its current condition and location.

The write-off of inventories to the cost of services and to period expenses is carried out using the weighted average cost method.

Cash and cash equivalents

Cash in the consolidated statement of financial position includes cash in banks and current bank deposits.

Restricted cash

Cash reflected in the account of the Treasury Department for the city of Almaty of the Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan are allocated for the purpose of implementing the investment projects "Communal Bus Depot No. 3 of Almaty" and " Simulation Educational and Methodological Center for Training the Population and Rescuers in Almaty". Cash reflected in this account can be used exclusively to make payments under investment projects. If cash is in any way restricted in use for a period of up to 12 (twelve) months from the reporting date, such cash is classified as current assets and disclosed accordingly in the notes to the consolidated financial statements. If cash is restricted in use for a period of more than 12 (twelve) months from the reporting date, such cash is reflected in non-current assets.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Salaries and related payroll expenses

Expenses for wages, pension contributions, social security contributions, paid annual leave and sick leave, and bonuses are accrued as the relevant work is performed by the Group's employees. On behalf of its employees, the Group pays pension and severance benefits as required by the legal requirements of the Republic of Kazakhstan. In accordance with the requirements of the legislation of the Republic of Kazakhstan, the Group makes payments in the amount of 10% of employees' wages as deductions to the unified state accumulative pension fund.

When employees retire, the Group's financial liabilities cease, and all subsequent payments to retired employees are made by the unified state accumulative pension fund. In accordance with the Law of the Republic of Kazakhstan "On Compulsory Social Health Insurance", the Group transfers the compulsory social health insurance and compulsory social health insurance contributions from employees' income on a monthly basis.

Lease

At inception of a contract, the Group assesses whether the arrangement constitutes or contains a lease, i.e., the Group determines whether the contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

The Group as a lessee

The Group applies the current lease recognition exemption to its current leases (i.e., leases that have a lease term of 12 months or less at the inception date and that do not contain an option to purchase the underlying asset). The Group also applies the low-value lease recognition exemption to leases that are considered to be low value. Lease payments for current leases and low-value leases are recognized as an expense on a straight-line basis over the lease term. The Group recognizes right-of-use assets at the inception date of the lease (i.e., the date the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses, as adjusted for the remeasurement of the lease liability. The initial cost of right-of-use assets comprises the amount of lease liabilities recognised, initial direct costs incurred and lease payments made on or before the commencement date, less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term or the estimated useful life of the asset.

The Group as a lessor

Leases under which the Group retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Rental income arising is recognised on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating an operating lease are included in the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Revenue from contracts with customers

The Group's activities involve the provision of services related to its activities, which may include services related to the development of investment projects, the sale of other reserves and/or services, which may include services related to the implementation of trust management.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it acts as a principal in contracts it enters into that involve revenue because the Group controls the goods or services before they are transferred to the customer.

The Group's contracts with customers for the sale of goods and services generally involve a single performance obligation. The Group has concluded that revenue should be recognised at the point in time when control of the assets is transferred to the customer, which typically occurs when the goods are delivered and the services are rendered.

The Group does not have the impact of variable consideration because the contract does not include other promises that could constitute separate performance liabilities (for example, warranties, customer loyalty rewards) to which a portion of the transaction price would need to be allocated. The Group generally receives payments from customers after the goods and services are provided. In rare cases, the Group receives current advance payments. As a result of using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if, at contract inception, the Group expects that the period between the transfer of the promised good or service to the customer and the customer's payment for that good or service will be one year or less.

Contract assets

A contract asset is the Group's right to receive consideration in exchange for goods or services transferred to a customer. If the Group transfers goods or services to a customer before the customer pays the consideration or before the consideration becomes due and payable, a contract asset is recognised for the contingent consideration received.

Trade receivables

Accounts receivable represent the Group's right to consideration that is unconditional (i.e. the time only determines when the consideration becomes due). The accounting policies for financial assets are discussed in IFRS 9 Financial Instruments.

Contract liabilities

A contract liability is an obligation to transfer goods or services to a customer for which the Group will receive (or has received) consideration from the customer. If the customer pays consideration before the Group transfers the goods or services to the customer, a contract liability is recognised when the payment is made or when the payment becomes due (whichever occurs first). Contract liabilities are recognised as revenue when the Group satisfies its liabilities under the contract.

Assets and liabilities arising from the right of return

The Group does not have a contractual right of return of goods by the customer, and accordingly there are no assets and liabilities in relation to the right of return of goods by the customer.

Recognition of interest income

Interest income on all financial instruments measured at amortised cost (hereinafter "AC") and financial instruments designated at fair value through profit or loss (hereinafter "FVPL") is calculated using the effective interest method.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest income on interest-bearing financial assets measured at fair value through other comprehensive income (hereinafter 'FVOCI') is calculated using the effective interest method. The effective interest rate (hereinafter 'EIR') is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and hence the amortised cost of the asset) is calculated taking into account any discount or premium received on purchase, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that is the best estimate of a constant rate of return over the expected life of the loan. Consequently, it recognises the impact of potentially different interest rates applied at different stages and other life cycle characteristics of the instrument. If the cash flow expectations of a financial asset are revised for reasons other than credit risk, the adjustment is recognised in the statement of financial position as a positive or negative change in the carrying amount of the asset and as an increase or decrease in interest income. The amount of the adjustment is subsequently amortised and recognised in profit or loss as interest income. The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets, other than credit-impaired financial assets.

For a financial asset that becomes credit-impaired and therefore falls within Stage 3, the Group calculates interest income by applying the effective interest rate to the net amortised cost of that financial asset. If the financial asset defaults and is no longer credit-impaired, the Group reverts to calculating interest income based on gross cost. Interest income on financial assets that are mandatorily measured at fair value through profit or loss is recognised using the contractual interest rate in Net gains/(losses) on financial assets at fair value through profit or loss.

Income tax expense

Income tax expense includes current and deferred tax. Income tax expense is recognized in income and expenses except to the extent that it relates to transactions recognized in equity, in which case it is also recognized in equity.

Current income tax is the amount of tax payable on taxable income for the year, plus any adjustments to the amount of income tax liability for prior years.

Deferred tax is determined using the balance sheet method by identifying temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable income will be available against which the asset can be reduced. The amount of deferred tax assets is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and if the deferred taxes relate to the same taxable item and to the same tax authority.

Related party transactions

In accordance with IAS 24 Related Party Disclosures, the Group discloses the nature of the related party relationships, as well as information about those transactions and outstanding balances necessary to understand the potential impact of those relationships on the consolidated financial statements.

In these consolidated financial statements, parties are considered to be related if they have the ability to control the other party or exercise significant influence over the other party in making operating or financial decisions. In determining whether parties are related, consideration is given to the substance of the relationship, and not merely the legal form of the relationship.

Contingent assets and liabilities

Contingent assets are not recognized in consolidated financial statements. When the realization of income is actually possible, then the related asset is not a contingent asset and its recognition is appropriate.

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources is remote.

Uncertain tax positions

Management reassesses the Group's uncertain tax positions at the end of each reporting period. Liabilities are recognised for those income tax positions that management assesses are more likely than not to result in additional tax liability if the positions are challenged by the taxation authorities. This assessment is made based on the interpretation of tax laws that have been enacted or substantively enacted at the end of the reporting period and any known court rulings or other decisions on similar issues. Liabilities for fines, penalties and taxes other than income tax are recognised based on management's best estimate of the expenditure required to settle the liabilities at the end of the reporting period.

Events after the reporting date

Events occurring after the end of the reporting period that provide evidence of conditions that existed at the reporting date (adjusting events) are reflected in the consolidated financial statements. Events occurring after the end of the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements if they are material.

Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions at the end of the reporting period that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. However, uncertainty about these estimates and assumptions could cause outcomes that require a material adjustment to the carrying amount of the asset or liability underlying those estimates and assumptions.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group's assumptions and estimates are based on the inputs available to it at the time of preparing the consolidated financial statements.

However, current circumstances and assumptions about the future may change due to market changes or circumstances beyond the Group's control. Such changes are reflected in the assumptions as they occur.

Revenue from contracts with customers

The Group has made the following judgments that have a significant effect on the amount and timing of revenue recognition from contracts with customers:

Identification of liabilities to be fulfilled in contracts for the provision of trust management services and services for the lease of trade pavilions and equipment;

The Group found that the contract for the supply of goods contained one performance obligation – the obligation to deliver the goods.

Revenue from retail premises and equipment provided under operating leases is recognised on a straight-line basis over the lease term and is included in income in the consolidated statement of income due to its operating nature.

Impairment losses on financial assets

Estimating impairment losses for all categories of financial assets requires judgment, including estimating the amount and timing of future cash flows and the value of collateral in determining impairment losses and assessing whether significant increases in credit risk have occurred. Such estimates depend on a number of factors, changes in which could result in different amounts of impairment allowances.

The Group's ECL calculations are the result of complex models that incorporate a number of underlying assumptions regarding the selection of input variables and their interdependencies. Elements of the ECL calculation models that are considered judgments and estimates include the following:

- the criteria used by the Group to assess whether there has been a significant increase in credit risk such that the impairment allowance for financial assets should be measured at an amount equal to lifetime ECL, and a qualitative assessment;
- grouping of financial assets into groups whereby ECLs for them are assessed on a group basis;
- development of models for calculating the ECL, including various formulas and selection of initial data;
- identifying relationships between macroeconomic scenarios and economic data, as well as the impact on PD, EAD and LGD indicators;
- selection of forecast macroeconomic scenarios and their weighting taking into account probability to obtain economic inputs for ECL assessment models.

The Group's policy is to regularly review models taking into account actual losses and adjust them if necessary.

Classification and measurement of fair value of investment property

Investment property includes land, buildings and retail premises that are neither used for the Group's operations nor sold in the course of its operations, but are held primarily to earn rental income and capital appreciation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment property is carried at cost less accumulated depreciation and accumulated impairment losses. Fair value is determined based on recent transactions with properties of similar characteristics and location.

Useful life of property, plant and equipment

The Group estimates the remaining useful lives of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as changes in estimates in accordance with IAS 8 Accounting Policies, Changes in Estimates and Errors. These estimates can have a material effect on the amounts of the carrying amount of property, plant and equipment and the depreciation recognised in the statement of profit or loss and other comprehensive income. At the reporting date, management assessed the remaining useful lives of property, plant and equipment and concluded that no revision of the useful lives of the equipment is required.

Deferred tax assets and liabilities

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable temporary differences will be recovered and the commercial nature of the expense. Determining the amount of deferred tax assets to recognize in the financial statements based on the likely timing and amount of future taxable profits and future tax planning strategies requires significant management judgment.

The Group recognises tax liabilities based on the assessment of whether additional taxes will be due. In cases where the final amounts of taxes withheld differ from the amounts initially recognised, such differences will affect the deferred tax expense of the period in which such tax expense is incurred.

Taxation

In assessing tax risks, management considers as possible liabilities known areas of tax positions that the Group would not be able to challenge, or does not believe it would be able to challenge, when assessed by the tax authorities. Such determinations involve significant judgment and are subject to change as a result of changes in tax laws and regulations, determination of expected tax revenue outcomes and the outcome of tax audits by the tax authorities.

Comparative information

When the financial statements are presented in a new format during the year, comparative information is adjusted to reflect the new presentation.

As a result of the reclassification of the relevant items, the following amounts in the Group's consolidated financial statements were revised:

- The expense of the legal claim provision was reclassified from administrative expenses to other income/expenses, net.

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5. PROPERTY, PLANT AND EQUIPMENT

KZT'000	Land	Buildings and constructions	Machines and equipment	Vehicles	Other	Total
Cost						
As at 1 January 2023	**1,173,452**	**1,455,017**	**254,242**	**35,667**	**364,756**	**3,283,134**
Additions	75,293	9,125,273	1,220,570	15,500	50,331	**10,486,967**
Disposals	-	(683,599)	(839)	-	(27,812)	**(712,250)**
As at 31 December 2023	**1,248,745**	**9,896,691**	**1,473,973**	**51,167**	**387,275**	**13,057,851**
Additions	352,369	1,057,868	48,592	-	61,368	**1,520,197**
Transfers from inventories and construction in progress	-	-	-	-	135	**135**
Reclassifications	-	-	(67,524)	67,524	-	-
Disposals	-	(839,286)	(36,461)	-	(23,096)	**(898,843)**
As at 31 December 2024	**1,601,114**	**10,115,273**	**1,418,580**	**118,691**	**425,682**	**13,679,340**
Accumulated depreciation						
As at 1 January 2023	-	**(165,183)**	**(98,781)**	**(17,965)**	**(193,421)**	**(475,350)**
Charge	-	(396,408)	(81,087)	(5,150)	(56,023)	**(538,668)**
Disposals	-	20,640	686	-	27,246	**48,572**
As at 31 December 2023	-	**(540,951)**	**(179,182)**	**(23,115)**	**(222,198)**	**(965,446)**
Charge	-	(261,113)	(60,386)	(7,389)	(71,735)	**(400,623)**
Reclassifications	-	-	3,904	(3,904)	-	-
Disposals	-	37,013	13,113	-	21,488	**71,614**
As at 31 December 2024	-	**(765,051)**	**(222,551)**	**(34,408)**	**(272,445)**	**(1,294,455)**
Carrying amount						
As at 31 December 2023	**1,248,745**	**9,355,740**	**1,294,791**	**28,052**	**165,077**	**12,092,405**
As at 31 December 2024	**1,601,114**	**9,350,222**	**1,196,029**	**84,283**	**153,237**	**12,384,885**

6. INVESTMENT PROPERTY

KZT'000	Land	Buildings and constructions	Other	Total
Cost				
As at 1 January 2023	**64,886,188**	**981,590**	**38,602**	**65,906,380**
Additions	-	152,703	-	**152,703**
Disposals	(59,730,912)	(206,155)	-	**(59,937,067)**
As at 31 December 2023	**5,155,276**	**928,138**	**38,602**	**6,122,016**
Additions	-	1,229,424	-	**1,229,424**
Disposals	-	(71,000)	(35,356)	**(106,356)**
As at 31 December 2024	**5,155,276**	**2,086,562**	**3,246**	**7,245,084**
Accumulated depreciation				
As at 1 January 2023	-	**(171,280)**	**(27,765)**	**(199,045)**
Reversal of impairment loss	-	61,096	-	**61,096**
As at 1 January 2023, as restated	-	**(110,184)**	**(27,765)**	**(137,949)**
Charge	-	(49,586)	(2,608)	**(52,194)**
Disposals	-	18,355	-	**18,355**
As at 31 December 2023	-	**(141,415)**	**(30,373)**	**(171,788)**
Reversal of impairment loss	-	(45,109)	(491)	**(45,600)**
As at 31 December 2023, as restated	-	**(186,524)**	**(30,864)**	**(217,388)**
Charge	-	(62,080)	(2,258)	**(64,338)**
Disposals	-	17,200	30,196	**47,396**
As at 31 December 2024	-	**(231,404)**	**(2,926)**	**(234,330)**
Carrying amount				
As at 31 December 2023	**5,155,276**	**741,614**	**7,738**	**5,904,628**
As at 31 December 2024	**5,155,276**	**1,855,158**	**320**	**7,010,754**

The Group's investment property includes rental property located in Almaty. The fair value of the investment property as at 31 December 2024 approximates its carrying amount.

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7. FINANCIAL ASSETS

KZT'000	31 December 2024	31 December 2023
Long-term portion		
Loans issued to third parties	2,163,076	388,000
Lending to small and medium-sized enterprises	21,096,558	15,590,749
Discount	(347,736)	(58,704)
Allowance for expected credit losses	(240,897)	(251,674)
Total long-term financial assets	**22,671,001**	**15,668,371**
Short-term portion		
Loans issued to third parties	2,575,539	2,830,508
Lending to small and medium-sized enterprises	236,575	95,652
Penalties, fines and late payment charges	13,395	-
Discount	(517,217)	-
Allowance for expected credit losses	(108,501)	(168,000)
Total short-term financial assets	**2,199,791**	**2,758,160**
Total financial assets	**24,870,792**	**18,426,531**

Loans issued to third parties

As part of the measures to contain prices for socially important food products, provided for by the Decree of the Government of the Republic of Kazakhstan, the Group provides current loans with an interest rate of 0.01%.

Lending to small and medium-sized enterprises

The Group provides loans for business purposes to small and medium-sized enterprises in the city of Almaty, at a preferential interest rate ranging from 2% to 12% per annum.

The Group provides loans to clients against collateral in the form of guarantees, as well as real estate, the value of which is determined by an independent valuation company.

The movement of financial assets is presented as follows:

KZT'000	2024	2023
Principal, interest, discount and other		
As at 1 January	18,846,205	17,976,762
Principal advanced	16,667,508	13,999,276
Principal repayments	(9,530,349)	(13,191,594)
Penalties	7,238	-
Interest accrued	958,495	867,339
Interest received	(927,607)	(861,532)
Taxes and other payments	(306)	(57)
Other	(23,151)	(5,493)
Discount	(963,264)	-
Amortization of discount	185,421	61,504
As at 31 December	**25,220,190**	**18,846,205**

The movement of the allowance for expected credit losses on financial assets is as follows:

KZT'000	2024	2023
As at 1 January	(419,674)	(503,338)
Charge	(33,167)	(64,224)
Reversals	103,443	147,888
As at 31 December	**(349,398)**	**(419,674)**

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8. RECEIVABLES

KZT'000	31 December 2024	31 December 2023
Long-term portion		
Long-term trade receivables	67,937,135	70,919,978
Allowance for expected credit losses on long-term receivables	(7,115,927)	(6,907,692)
Discount	(13,327,163)	(20,509,548)
Total long-term receivables	**47,494,045**	**43,502,738**

Long-term receivables consist of amounts owed by counterparties in respect of assets sold on instalment basis, as well as investment agreements.

In 2020, an investment agreement was concluded with Rusalding Line LLP for the implementation of a project for the construction of a multi-apartment residential complex at the intersection of Al-Farabi Avenue - Rozybakiyev Street - Gagarin Avenue as part of the renovation of the housing stock of Almaty. On July 3, 2021, an additional agreement was concluded and investments were provided in the amount of KZT 5,260,000 thousand on the terms of 14% of investment income from the attracted ruble loan of Sovcombank PJSC . The Group accrued a provision for impairment losses for the full amount.

In 2022, an investment agreement was concluded with RBest Home LLP and investments were provided in the amount of KZT 1,200,000 thousand with an investment income interest rate of 16% for the construction of the Four Seasons Villa cottage village with a repayment period no later than 30 June 2022. The Group decided to create an impairment reserve for the full amount of debt minus the collateral, due to the violation of the investment repayment period.

In 2023, project agreements were concluded with Ask Prestige LLP, Sensata Construction LLP and KazSpetsEnergoService LLP for the development of the polycentric infrastructure of Almaty for the construction of a new district under the Eastern Gate project, located in the Turksib district, Kairat microdistrict, for a period up to 2027-2028. As part of this project, the Group transferred land plots, and the counterparties ensure the implementation of the project.

Long-term receivables were discounted to their net present value, reflecting the fair value of the debt, which is the present value of expected cash flows at a rate of 16.75%, the discount was recognized in the amount of KZT 25,616,053 thousand as part of finance expenses in 2023, and its amortization was recognized as part of finance income, which for 2024 amounted to KZT 7,182,385 thousand (for 2023 it amounted to KZT 5,157,381 thousand).

Short-term receivables are shown in the table below:

KZT'000	31 December 2024	31 December 2023
Short-term portion		
Short-term trade receivables	4,951,333	394,354
Property lease receivables	31,146	28,438
Land lease receivables	30,779	14,834
Claims receivables	180,356	224,665
Other receivables from employees	-	1,359
Other short-term receivables	1,320,016	932,927
Allowance for expected credit losses on short-term receivables	(1,354,594)	(1,142,915)
Total trade and other receivables	**5,159,036**	**453,662**

The movement in the allowance for expected credit losses on long-term receivables, and trade and other receivables is as follows:

KZT'000	2024	2023
As at 1 January	(8,050,607)	(10,488,312)
Charge/(Reversals)	(419,914)	2,439,212
Write-off		(1,507)
As at 31 December	**(8,470,521)**	**(8,050,607)**

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9. OTHER LONG-TERM ASSETS

KZT'000	31 December 2024	31 December 2023
Construction in progress	2,078,413	3,267,380
Land plots (investments)	6,466,268	7,113,504
Impairment loss for contract costs	(2,925,949)	(2,502,673)
Impairment loss on investments	-	(173,998)
Total other long-term assets	**5,618,732**	**7,704,213**

The movement in the allowance for impairment of other long-term assets is presented as follows:

KZT'000	2024	2023
As at 1 January	(2,925,949)	(3,074,804)
Reversals	-	148,855
As at 31 December	**(2,925,949)**	**(2,925,949)**

10. INVENTORIES

KZT'000	31 December 2024	31 December 2023
Apartments and houses	30,042,824	279,786
Parking spaces	966,688	952,966
Non-residential premises	599,967	959,950
Design and project documentation	62,691	31,258
Other materials	99,303	58,449
Residential buildings under construction	37,964	8,253,989
Land plots and land acquisition options for residential development	1,780	37,964
Impairment loss	(81,937)	(81,966)
Total inventories	**31,729,280**	**10,492,396**

11. PREPAYMENTS AND OTHER SHORT-TERM ASSETS

KZT'000	31 December 2024	31 December 2023
Advances paid for the construction of apartments	25,114,245	7,667,524
Advances paid for the supply of inventories and services	1,389,366	1,136,355
Prepaid taxes other than income tax	545,819	471,667
Guarantee deposits	415,315	-
Other	8,198	3,033
Impairment loss	(100,900)	(123,675)
Total prepayments and other short-term assets	**27,372,043**	**9,154,904**

12. REVERSE REPURCHASE AGREEMENTS

As at 31 December 2024, there were outstanding reverse repurchase agreements between the Group and BCC INVEST - SUBSIDIARY OF BANK CENTERCREDIT JSC in the amount of KZT 7,248,580 thousand (31 December 2023: KZT 11,728,105 thousand). The subjects of these agreements were coupon bonds of Kazakhstan Sustainability Fund JSC, government securities of the Ministry of Finance of the Republic of Kazakhstan, with an annual interest rate from 2.5% - 14%.

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13. CASH AND CASH EQUIVALENTS

KZT'000	31 December 2024	31 December 2023
Cash at bank (current accounts)	5,243,946	2,841,591
Bank deposits	32,462,183	18,102,266
Cash at treasury accounts	32,502,096	48,796,937
Allowance for expected credit losses	(29,665)	(13,765)
	70,178,560	**69,727,029**
Restricted cash	1,611,590	1,628,199
Allowance for expected credit losses on restricted cash	(1,611,590)	(1,628,199)
	-	-
Total cash and cash equivalents	**70,178,560**	**69,727,029**

Cash at treasury accounts are represented by cash in the RSE "Department of Treasury for the city of Almaty of the Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan". Cash was allocated for the purpose of implementing 5 (five) investment projects. Cash reflected in this account is limited in use and can be used exclusively for making payments on investment budget projects developed within the framework of the Financial and Economic Justification.

Bank deposits are represented by deposits placed in second-tier banks of the Republic of Kazakhstan for a period of up to three months at rates of 14.75% - 15.25% (2023: 14.5% - 15.25%).

Restricted cash are represented by deposits previously placed in KazInvestBank JSC and Bank Astana- finance JSC. In accordance with the Resolution of the National Bank of the Republic of Kazakhstan No. 291 dated December 26, 2016, a decision was made to revoke the license of KazInvestBank JSC to conduct banking and other operations and activities in the securities market. The Group's funds placed in JSC KazInvestBank amounted to KZT 2,000,000 thousand.

On 17 May 2017, an agreement was concluded on the one-time transfer of assets and liabilities from the temporary administration of KazInvestBank JSC to SB Alfa-Bank JSC. Based on this agreement, on June 23, 2017, an agreement was concluded between SB Alfa-Bank JSC and the Group on the pledge of cash classified by the Group as non-current cash with restricted use.

In September 2018, the National Bank of the Republic of Kazakhstan revoked the banking license of Bank Astana- Finance JSC . The Group accrued a provision for expected credit losses for the full amount. The Group recovers the accrued allowance for expected credit losses for the amount of payments received.

14. EQUITY

Information on the sole shareholder and ultimate controlling party is provided in Note 1 .

As at 31 December 2024 and 31 December 2023, the Group's share capital was fully paid and amounted to KZT 193,351,569 thousand.

As at 31 December 2024, the amount of the Group's treasury shares in full is KZT 22,356,100 thousand (as at 31 December 2023: KZT 21,051,538 thousand).

In April 2024, the sole shareholder decided to purchase 16,250 treasury shares of the Group at a price of 1,000 tenge per share for a total of KZT 16,250 thousand and transfer a real estate object as payment for the shares.

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14. EQUITY (continued)

In August 2024, by the Resolution of the Akimat of Almaty, the constructed cable duct engineering networks were transferred to the ownership of the Group for a total of KZT 491,865 thousand and 458,275 treasury shares of the Group were acquired at a price of 1,000 tenge per share for a total of KZT 458,275 thousand.

These real estate objects were received with their subsequent transfer to the subsidiary company "Capital Construction Enterprise of the Akimat of Almaty City" LLP by contributing to the authorized capital of the subsidiary company.

In October 2024, a decision was made to transfer the administrative building in payment for the previously repurchased 879,780 shares of the Group at a price of 1,000 tenge per share for a total of KZT 879,780 thousand.

In December 2024, the sole shareholder decided to repurchase 2,588,380 of its own shares at a price of 1,000 tenge per share for a total of KZT 2,588,380 thousand and transfer the Construction in progress projects of the Municipal Bus Depot No. 3 to the municipal property of Almaty against the repurchased shares. The repurchase transaction was registered on 5 January 2025.

Dividends

In accordance with the legislation of the Republic of Kazakhstan, the Group's distributable reserves may not exceed the Group's retained earnings in accordance with its consolidated financial statements prepared in accordance with IFRS, or income for the period in the case of losses carried forward. Distribution may not be made if this would lead to a capital deficit or insolvency of the Group. No dividends were declared during the reporting period (in 2023: no dividends were declared).

15. BORROWINGS

KZT'000	Maturity	Interest rate	Currency	31 December 2024	31 December 2023
Loans from related parties	2024-2026	0.01%	KZT	9,135,103	11,949,520
				9,135,103	**11,949,520**
Short-term portion				6,230,608	4,240,207
Total short-term borrowings				**6,230,608**	**4,240,207**
Long-term portion				2,904,495	7,709,313
Total long-term borrowings				**2,904,495**	**7,709,313**
Total borrowings				**9,135,103**	**11,949,520**

Loans from related parties

During 2019-2022, the Group received preferential loans from the parent company to contain prices for socially important food products, which were accounted for at amortized cost. The loans are unsecured, denominated in tenge, with an interest rate of 0.01% per annum, with a maturity of 2024-2026.

The loans were discounted to their net present value, which reflects the fair value of the debt, which is the present value of expected cash flows, and amounted to 12.4%-19.2% at the time of initial recognition. The unwinding of the discount and changes in estimates were reflected in the consolidated income statement as Net finance income/(costs).

15. BORROWINGS (continued)

The movement of borrowings is presented as follows:

KZT'000	2024	2023
Principal and interest		
As at 1 January	14,999,997	26,574,000
Loans received	5,000,000	-
Loans paid	(8,000,000)	(8,820,000)
Interest accrued	1,477	463,681
Interest paid	(1,477)	(463,681)
Foreign exchange rate difference	-	(2,754,003)
As at 31 December	**11,999,997**	**14,999,997**
Discount		
As at 1 January	(3,050,477)	(5,150,163)
Recognition of discount	(2,046,344)	-
Change in estimates	(819,424)	400,584
Amortisation of discount	3,051,351	1,699,102
As at 31 December	**(2,864,894)**	**(3,050,477)**
Carrying amount		
Short-term portion	6,230,608	4,240,207
Long-term portion	2,904,495	7,709,313
As at 31 December	**9,135,103**	**11,949,520**

16. OTHER LONG-TERM LIABILITIES AND CONTRACT LIABILITIES

KZT'000	31 December 2024	31 December 2023
Contract liabilities	48,110,097	147,299
Other long-term liabilities	246,729	214,628
Total other long-term liabilities and contract liabilities	**48,356,826**	**361,927**

17. TRADE AND OTHER PAYABLES

KZT'000	31 December 2024	31 December 2023
Trade payables	4,131,267	3,013,280
Provisions for litigation	744,800	200,000
Salaries payable	7,332	216
Contract liabilities to individuals for residential property transfer	6,261	6,261
Tender security deposits	2,670	82,563
Other payables	263,802	150,372
Total trade and other payables	**5,156,132**	**3,452,692**

The State Institution "Almaty City Construction Department" filed a lawsuit against the Capital Construction Enterprise of the Akimat of Almaty LLP the subsidiary of the Group to recover in favor of the state budget a penalty in the amount of KZT 931,000 thousand and a state fee in the amount of KZT 27,930 thousand due to incomplete fulfillment of liabilities under Public Procurement Agreements for the purchase of housing for socially vulnerable groups of the population. On 17 April 2024, the Specialized Interdistrict Economic Court of Almaty ruled to satisfy this claim.

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17. TRADE AND OTHER PAYABLES (continued)

In this regard, the Group recognized a reserve for the estimated liability for the claim. On 29 August 2024, the Group made a payment in the amount of KZT 186,200 thousand.

On 18 September 2024, a ruling was received from the Civil Cases Division of the Almaty City Court, according to which the subsidiary company Capital Construction Enterprise of the Akimat of Almaty LLP was granted a 6-month installment plan for the execution of the decision from 8 August 2024 to 8 February 2025, with a monthly payment of KZT 150,512 thousand.

On 8 October 2024, the State Institution "Almaty City Construction Department" submitted a letter to the subsidiary company Capital Construction Enterprise of the Akimat of Almaty LLP, where it agrees to provide an installment plan for 5 years with an annual payment of KZT 186,200 thousand.

Despite the existence of the above letter, the subsidiary plans to repay this debt in full by the end of March 2025.

18. REVENUE FROM CONTRACTS WITH CUSTOMERS

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Sale of apartments, residential buildings and non-residential premises	6,842,577	2,937,179
Sales of food products	1,075,732	214,178
Industrial zone management and maintenance services in Alatau district, Almaty	1,027,408	1,732,545
Operating lease income	225,313	206,752
Other revenue	-	737,255
Free transfer of apartments	-	140,190
Total revenue from contracts with customers	**9,171,030**	**5,968,099**

The Group's delivery of services and the transfer of apartments and residential buildings occurs over a period of time, as the customer simultaneously receives and consumes the benefits as the Group delivers them.

19. COST OF SALES

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Cost of apartments and residential buildings sold	6,499,785	2,240,886
Cost of food products sold	1,075,732	214,178
Salaries	408,641	264,064
Depreciation and amortisation	292,826	457,219
Utilities	115,658	-
Landscaping and improvement costs	96,803	-
Security services	70,980	-
Professional services	55,945	30,823
Payroll taxes and social contributions	44,482	21,689
Cost of non-residential premises sold	28,962	166,376
Amortisation of prepaid expenses	24,058	12,589
Service delivery costs	-	137,545
Cost of parking spaces sold	-	127,198
Other	56,072	97,351
Total cost of sales	**8,769,944**	**3,769,918**

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20. ADMINISTRATIVE EXPENSES

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Salaries	2,126,138	2,283,384
Payroll taxes and social contributions	177,281	166,960
Taxes other than income tax	162,134	242,521
Depreciation and amortization	121,531	150,412
Rent, utilities and maintenance expenses	93,127	78,419
Non-deductible VAT	93,022	167,611
Fair organisation expenses	68,384	56,309
Audit and valuation fees	49,422	69,286
Outsourcing and staff provision services	43,004	30,151
Insurance expenses	36,605	28,024
Consulting services	33,264	34,308
Repair and maintenance of property, plant and equipment	20,954	26,692
Travel and business trip expenses	11,526	14,899
Transaction costs on repurchase agreements	10,881	13,724
Information services	9,740	9,820
Financial services	8,292	6,103
Utilities	6,647	7,151
Materials	6,560	10,434
Communication services	6,119	3,140
Security services	5,905	6,781
Office cleaning	4,690	3,297
Third party services	4,387	8,929
Bank charges	1,948	23,107
Amortisation of prepaid expenses	1,518	1,412
Other	129,592	107,184
	3,232,671	**3,550,058**

21. NET FINANCE INCOME/(COSTS)

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Finance income		
Amortisation of discount on instalment contracts	7,182,385	5,157,381
Interest income on reverse repurchase agreements	2,222,362	2,587,857
Recognition of discount on borrowings received	2,865,768	(400,584)
Interest income on loans issued	958,495	826,574
Interest income on bank deposits	834,951	2,114,542
Amortisation of discount on loans issued	185,421	61,506
Fee income from financial guarantees	138,616	-
Income from investment activities	37,007	1,140,521
Total finance income	**14,425,005**	**11,487,797**
Finance costs		
Amortisation of discount on borrowings	(3,051,351)	(1,699,104)
Recognition of discount on loans issued	(963,264)	-
Interest expense on borrowings	(1,477)	(463,681)
Discount on installment contracts	-	(25,616,053)
Total finance costs	**(4,016,092)**	**(27,778,838)**
Total net finance income/(costs)	**10,408,913**	**(16,291,041)**

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22. NET GAIN ON DISPOSAL OF PROPERTY

KZT'000	Gain on disposal of property	Loss on disposal of property	Total net gain on disposal of property
Year ended 31 December 2024			
Lease purchase option	170,667	(2,799)	167,868
Non-residential premises	20,643	(10,000)	10,643
Construction in progress	3,117,142	(3,117,119)	23
Total net gain on disposal of property	**3,308,452**	**(3,129,918)**	**178,534**
Year ended 31 December 2023			
Land plots	90,757,532	(59,730,912)	31,026,620
Apartments	41,521	(9,377)	32,144
Other	144,301	(51,439)	92,862
Total net gain on disposal of property	**90,943,354**	**(59,791,728)**	**31,151,626**

23. NET IMPAIRMENT LOSSES/(GAINS) ON FINANCIAL AND NON-FINANCIAL ASSETS

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Impairment gains (reversals)		
Reversals of impairment losses on other long-term assets	173,998	-
Reversals of expected credit losses on loans issued	103,102	560,046
Reversals of impairment losses on advances given	22,702	186
Reversals of expected credit losses on investments	3,805	-
Reversals of expected credit losses on receivables	3,691	2,479,031
Reversals of expected credit losses on cash and cash equivalents	1,250	44,627
Reversals of impairment losses on fines	-	3
	308,548	**3,083,893**
Impairment losses (charges)		
Expected credit losses on cash and cash equivalents	(17,150)	-
Expected credit losses on loans issued	(33,167)	-
Expected credit losses on receivables	(406,995)	-
Impairment losses on investment property	-	(45,600)
Expected credit losses on reverse repurchase agreements	-	(91)
	(457,312)	**(45,691)**
Total net impairment losses/(gains) on financial and non-financial assets	**(148,764)**	**3,038,202**

24. INCOME TAX EXPENSE AND DEFERRED TAX ASSETS/(LIABILITIES)

The Group's income tax expense for the years ended 31 December 2024 and 2023 is as follows:

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Current income tax expense	399,476	8,297,919
Deferred income tax benefit	(163,673)	(381,591)
Income tax expense	**235,803**	**7,916,328**

In the Republic of Kazakhstan, income tax is calculated at a rate of 20% of the estimated taxable profit for the year (period). Deferred taxes are calculated at the rates applicable to the period in which the asset is realized or the liability is settled.

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24. INCOME TAX EXPENSE AND DEFERRED TAX ASSETS/ (LIABILITIES) (continued)

KZT'000	Year ended 31 December 2024	Year ended 31 December 2023
Profit before tax	**8,236,154**	**19,044,615**
Tax at the statutory rate of 20%	1,647,231	3,808,923
Change in unrecognised deferred tax assets	(1,442,088)	4,107,521
Tax effect of foreign exchange differences and other permanent differences	30,660	(116)
Income tax expense	**235,803**	**7,916,328**
Effective tax rate	3%	42%

The amounts of deferred tax assets/ (liabilities) are presented below:

KZT'000	31 December 2024	31 December 2023
Discount on borrowings	(572,979)	(610,095)
Other provisions	450,459	553,074
Provisions for litigation	148,960	40,000
Provision for unused vacation	26,376	18,557
Property, plant and equipment and intangible assets	11,553	(100,631)
Taxes payable other than income tax	3,109	2,900
Net deferred tax assets/ (liabilities)	**67,478**	**(96,195)**

The movement of deferred tax assets/ (liabilities) is presented as follows:

KZT'000	2024	2023
As at 1 January	(96,195)	(477,786)
Recognised in profit or loss	163,673	381,591
As at 31 December	**67,478**	**(96,195)**

25. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the other party in making financial or operational decisions. In assessing related party relationships, the economic substance of the relationship, and not just its legal form, is taken into account.

Balances and transactions with related parties:

KZT'000	Parent company	Associates
31 December 2024		
Borrowings received	(13,500,000)	-
31 December 2023		
Borrowings received	(15,000,000)	-
Sales to related parties	1,307,015	-
Share of loss of associates	-	(36,363)

Transactions with key management personnel

The total amount of remunerations of key management personnel included in administrative expenses (Note 20) is KZT 156,495 thousand (2023: KZT 191,130 thousand).

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26. CONTRACTUAL AND CONTINGENT LIABILITIES

Legal proceedings

The Group is involved in various immaterial legal proceedings related to its operating activities, such as claims for fines, penalties under loan agreements, and disputes over state procurement. The Group does not believe that such pending or threatened legal proceedings, individually or in the aggregate, could have any material adverse effect on its financial position or operating results.

The Group assesses the probability of material liabilities arising and recognises a corresponding provision in the consolidated financial statements only when it is probable that events giving rise to the liability will occur and the amount of the liability can be measured on a reasonable basis.

Taxation

Kazakhstan's tax legislation and regulations are subject to constant change and varying interpretations. There are frequent cases of disagreement between local, regional and national tax authorities. The current regime of fines and penalties for identified and confirmed violations of Kazakhstan's tax legislation is strict.

Tax audits may cover five calendar years of operations immediately preceding the year of audit. Under certain circumstances, audits may cover longer periods. Due to the uncertainties inherent in the Kazakhstan tax system, the potential amount of taxes, penalties and interest, if any, may exceed the amount expensed to date and accrued as at 31 December 2024.

Management believes that as at 31 December 2024 its interpretation of applicable law is appropriate and it is probable that the Group's tax position will be sustained.

Financial guarantees

On 17 November 2023, the Group entered into a guarantee agreement with Black Biotechnology LLP to ensure the proper performance of Black Biotechnology LLP's obligation to bondholders in the amount of KZT 1,500,000 thousand, which is 75% of the par value of the bonds issued by Black Biotechnology LLP . The guarantee covers Black Biotechnology LLP's liabilities on the principal amount of the debt, excluding accrued interest and other additional expenses.

According to the terms of the agreement, the financial guarantee comes into force on the 101 day from the date of commencement of circulation of the bonds, i.e. from the moment when the bonds officially began trading, which occurred on 24 October 2023. Thus, the guarantee became active on 2 February 2024 and is valid for three years.

For providing the guarantee, the Group receives a fee of 3% per annum of the guarantee amount, which is paid quarterly. The fee is recognized as part of operating income at the time of its accrual in accordance with the established payment schedule.

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26. CONTRACTUAL AND CONTINGENT COMMITMENTS (continued)

As collateral, the Group was provided with a building under construction for the production of bio-feed additives and fertilizers, subject to quarterly revaluation as construction stages are completed, vehicles and production equipment, a 95% stake in the authorized capital of Black Biotechnology LLP , as well as personal guarantees from the management of Black Biotechnology LLP .

At the reporting date, the risk of losses under the guarantee is estimated as low, since Black Biotechnology LLP fulfills its liabilities on time. In the event of deterioration of the financial condition of Black Biotechnology LLP , the Group recognizes a reserve for covering credit losses in the amount of expected losses.

The Group provided a financial guarantee for the liabilities of Sleipnir Technologies LLP to SDF I B.V. in the amount of no more than KZT 7,350,000 thousand. As at the reporting date, the probability of occurrence of the liability is recognized as low, since Sleipnir Technologies LLP fulfills its liabilities on time. As a result, the liability is not recognized. In the event of deterioration of the financial condition of Sleipnir Technologies LLP , the Group recognizes a reserve for covering credit losses in the amount of expected losses.

Environmental matters

The Group is required to comply with various environmental laws and regulations. Kazakhstan environmental legislation is constantly changing and subject to varying interpretations. Although management believes that the Group complies with government environmental requirements, there can be no assurance that contingent liabilities do not exist.

Terms and conditions

Kazakhstan continues to implement economic reforms and develop a legal, tax and administrative infrastructure that would meet the requirements of a market economy. The stability of the Kazakh economy will largely depend on the progress of these reforms, as well as on the effectiveness of the measures taken by the Government in the sphere of economics, financial and monetary policy.

During 2024, the National Bank of the Republic of Kazakhstan decided to reduce the base rate to 14.75% per annum with an interest rate corridor of +/- 1 percentage point. External inflationary processes continue to develop favorably against the backdrop of falling global food prices and the restrictive policy of central banks. Inflationary pressure remains in the domestic economy due to stable domestic demand, supported by fiscal stimulus, as well as inflated and unstable inflation expectations.

The Group continues to evaluate the impact of these events on its operations, financial position and financial condition.

The Group's management believes that it is taking appropriate measures to maintain the Group's economic sustainability in the current environment.

27. FINANCIAL RISK MANAGEMENT

In connection with its activities, the Group is exposed to various financial risks associated with its financial instruments. The Group's principal financial instruments include: loans to customers, trade and other receivables, cash and cash equivalents, loans and advances issued, trade and other payables. The principal risks arising from financial instruments are liquidity risk, credit risk and foreign exchange risk.

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27. FINANCIAL RISK MANAGEMENT (continued)

The Group's financial instruments are as follows:

KZT'000	31 December 2024	31 December 2023
Financial assets		
Long-term financial assets	22,671,001	15,668,371
Long-term receivables	47,494,045	43,502,738
Investment securities	32,211	62,739
Trade and other receivables	5,159,036	453,662
Short-term financial assets	2,199,791	2,758,160
Reverse repurchase agreements	7,248,580	11,728,105
Cash and cash equivalents	70,178,560	69,727,029
	154,983,224	**143,900,804**
Financial liabilities		
Long-term borrowings	2,904,495	7,709,313
Short-term borrowings	6,230,608	4,240,207
Trade and other payables	5,156,132	3,452,692
	14,291,235	**15,402,212**

Credit risk

The Group is exposed to credit risk, which is the risk that one party to a transaction in a financial instrument will cause the other party to incur a financial loss by failing to meet its contractual obligation. Credit risk arises from the Group's credit and other transactions with counterparties that give rise to financial assets. Financial assets that potentially expose the Group to credit risk include primarily cash and cash equivalents, deposits, and trade receivables from related parties.

The Group's maximum exposure is equal to the carrying amount of these instruments:

KZT'000	31 December 2024	31 December 2023
Long-term financial assets	22,671,001	15,668,371
Long-term receivables	47,494,045	43,502,738
Investment securities	32,211	62,739
Trade and other receivables	5,159,036	453,662
Short-term financial assets	2,199,791	2,758,160
Reverse repurchase agreements	7,248,580	11,728,105
Cash and cash equivalents	70,178,560	69,727,029
	154,983,224	**143,900,804**

The Group creates an estimated reserve for expected credit losses. The Group places its cash only in approved financial institutions and within the limits set for each financial institution. The limits are set in order to minimize the concentration of risks and reduce financial losses in the event of insolvency of a financial institution. The Group places its cash in second-tier banks of the Republic of Kazakhstan with a credit rating of "Standard and Poor's » not lower than BB .

Liquidity risk

Liquidity risk is the risk that the Group will have difficulty obtaining funds to settle its liabilities under financial instruments. Liquidity risk may arise from an inability to quickly sell a financial asset at a price close to its fair value. The Group regularly monitors its liquidity needs and management ensures that sufficient funds are available to meet any outstanding liabilities.

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27. FINANCIAL RISK MANAGEMENT (continued)

Below is information about the contractual maturities of financial liabilities, including estimated amounts of undiscounted interest payments:

KZT'000	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Total
31 December 2024				
Trade and other payables	4,131,267	1,024,865	-	**5,156,132**
Borrowings received	338	5,006,775	7,001,225	**12,008,338**
	4,131,605	**6,031,640**	**7,001,225**	**17,164,470**
31 December 2023				
Trade and other payables	3,013,302	336,769	-	**3,350,071**
Borrowings received	2,000,375	4,001,125	9,001,025	**15,002,525**
	5,013,677	**4,337,894**	**9,001,025**	**18,352,596**

Interest rate risk

As at 31 December 2024 and 2023, the Group has no loans and borrowings with variable interest rates. The Group does not account for any financial instruments with fixed interest rates in the manner prescribed for instruments measured at fair value through profit or loss or as available for sale. Therefore, any change in interest rates at the reporting date would not affect the amount of profit or loss for the period or equity.

Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to foreign currency exchange rate risk relates to the Group's operating activities . The Group does not hold financial instruments other than its functional currency and is not exposed to foreign exchange risk.

Fair value

Management believes that the fair value of the Group's financial assets and liabilities approximates their carrying amounts. The fair value of financial assets and liabilities is calculated by Level 2 of the hierarchy.

28. EVENTS AFTER THE REPORTING DATE

On 14 March 2025, a subsidiary of the Almaty City Akimat Capital Construction Enterprise LLP made a payment on the claim of the Almaty City Construction Department State Institution in the amount of KZT 200,000 thousand and on 26 March 2025 , made another payment in the amount of KZT 200,000 thousand.

In December 2024, the sole shareholder decided to repurchase 2,588,380 of its own shares at a price of 1,000 tenge per share for a total of KZT 2,588,380 thousand and transfer the Construction in progress projects of the Municipal Bus Depot No. 3 to the municipal property of Almaty against the repurchased shares. This repurchase operation was registered on 5 January 2025.

There were no other significant events after the reporting date of 31 December 2024, until the date of authorization of these consolidated financial statements.

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